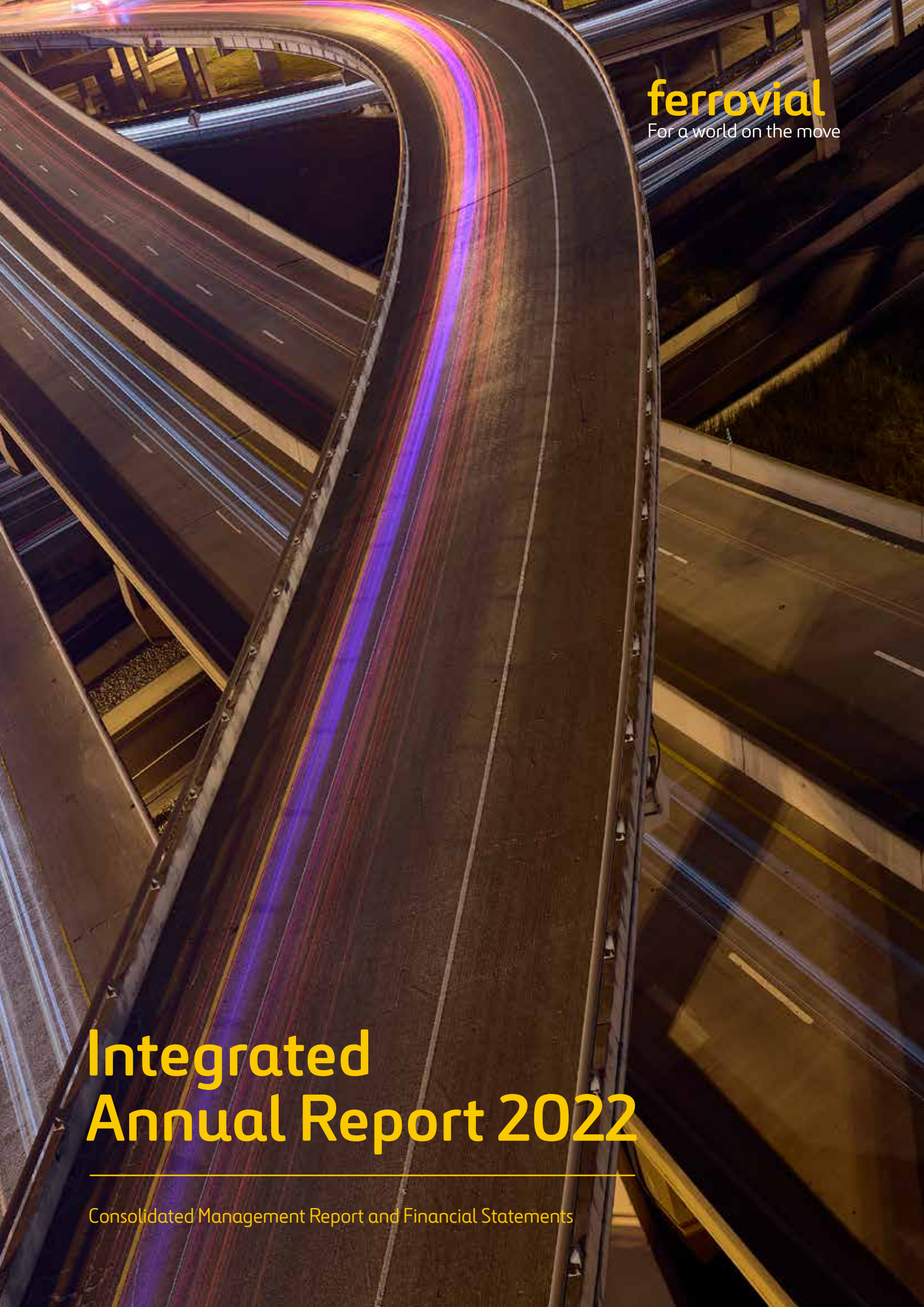
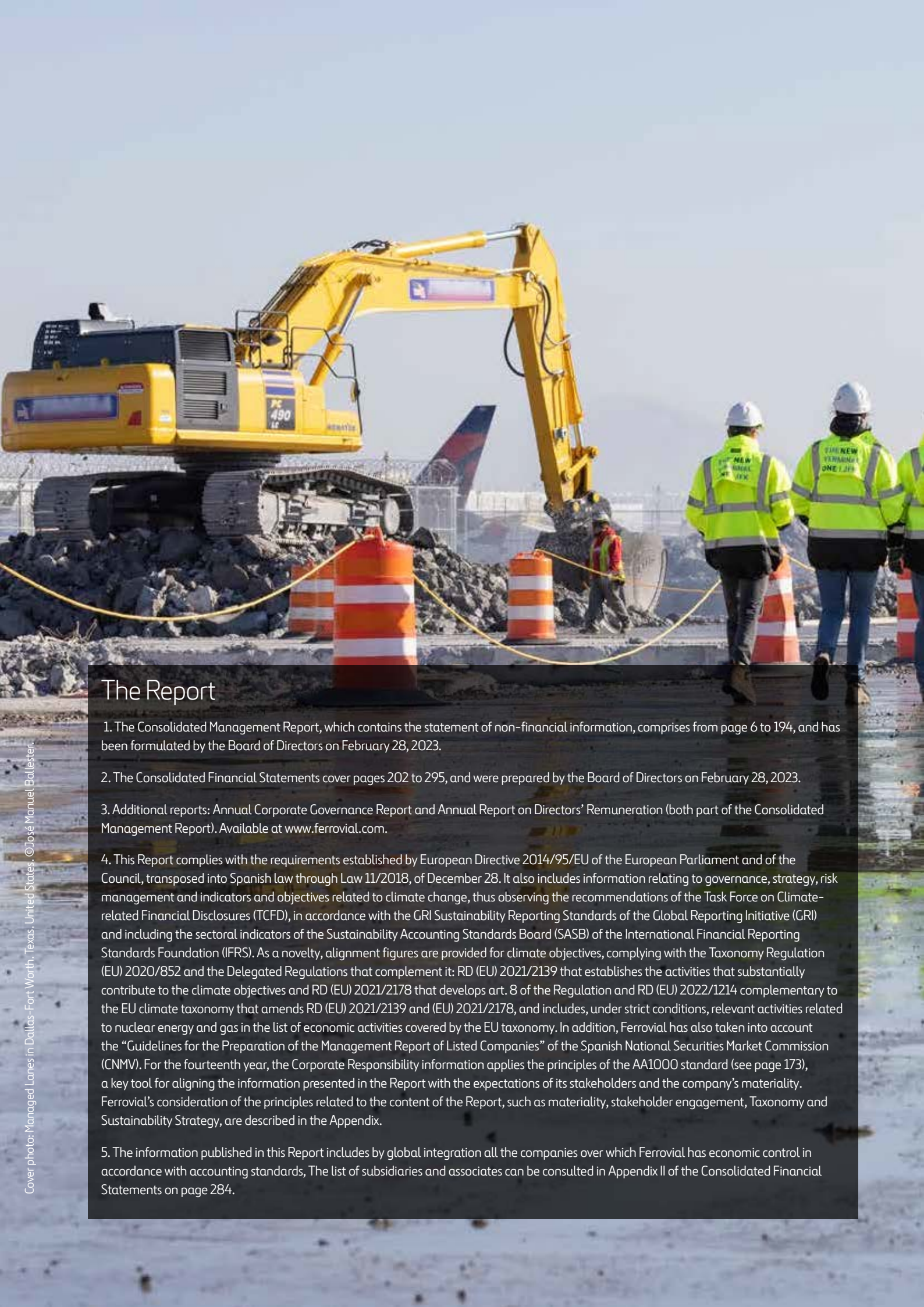


ferrovial
For a world on the move

Integrated Annual Report 2022

Consolidated Management Report and Financial Statements



The Report

1. The Consolidated Management Report, which contains the statement of non-financial information, comprises from page 6 to 194, and has been formulated by the Board of Directors on February 28, 2023.

2. The Consolidated Financial Statements cover pages 202 to 295, and were prepared by the Board of Directors on February 28, 2023.

3. Additional reports: Annual Corporate Governance Report and Annual Report on Directors' Remuneration (both part of the Consolidated Management Report). Available at www.ferrovial.com.

4. This Report complies with the requirements established by European Directive 2014/95/EU of the European Parliament and of the Council, transposed into Spanish law through Law 11/2018, of December 28. It also includes information relating to governance, strategy, risk management and indicators and objectives related to climate change, thus observing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in accordance with the GRI Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and including the sectoral indicators of the Sustainability Accounting Standards Board (SASB) of the International Financial Reporting Standards Foundation (IFRS). As a novelty, alignment figures are provided for climate objectives, complying with the Taxonomy Regulation (EU) 2020/852 and the Delegated Regulations that complement it: RD (EU) 2021/2139 that establishes the activities that substantially contribute to the climate objectives and RD (EU) 2021/2178 that develops art. 8 of the Regulation and RD (EU) 2022/1214 complementary to the EU climate taxonomy that amends RD (EU) 2021/2139 and (EU) 2021/2178, and includes, under strict conditions, relevant activities related to nuclear energy and gas in the list of economic activities covered by the EU taxonomy. In addition, Ferrovial has also taken into account the "Guidelines for the Preparation of the Management Report of Listed Companies" of the Spanish National Securities Market Commission (CNMV). For the fourteenth year, the Corporate Responsibility information applies the principles of the AA1000 standard (see page 173), a key tool for aligning the information presented in the Report with the expectations of its stakeholders and the company's materiality. Ferrovial's consideration of the principles related to the content of the Report, such as materiality, stakeholder engagement, Taxonomy and Sustainability Strategy, are described in the Appendix.

5. The information published in this Report includes by global integration all the companies over which Ferrovial has economic control in accordance with accounting standards, The list of subsidiaries and associates can be consulted in Appendix II of the Consolidated Financial Statements on page 284.

Cover photo: Managed Lanes in Dallas-Fort Worth, Texas, United States. ©José Manuel Ballester.



During 2022, the divestment of the Services business unit that was in the process of being sold was completed, and these companies are treated in this report as discontinued operations. The remaining non-divested Services businesses have been reported under the continuing operations of the Energy Infrastructure and Mobility subsidiary.

In the Consolidated Management Report, and in accordance with the requirements of Law 11/2018, the non-financial information for the 2022 financial year includes in the perimeter the companies of the Services division over which Ferrovial has had operational control during the year to report on all aspects and impacts of the business.

On-site staff New Terminal One, JFK Airport, New York, United States.

Management Report

Letter from the Chairman

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22 Metro

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Integrated Annual Report 2022

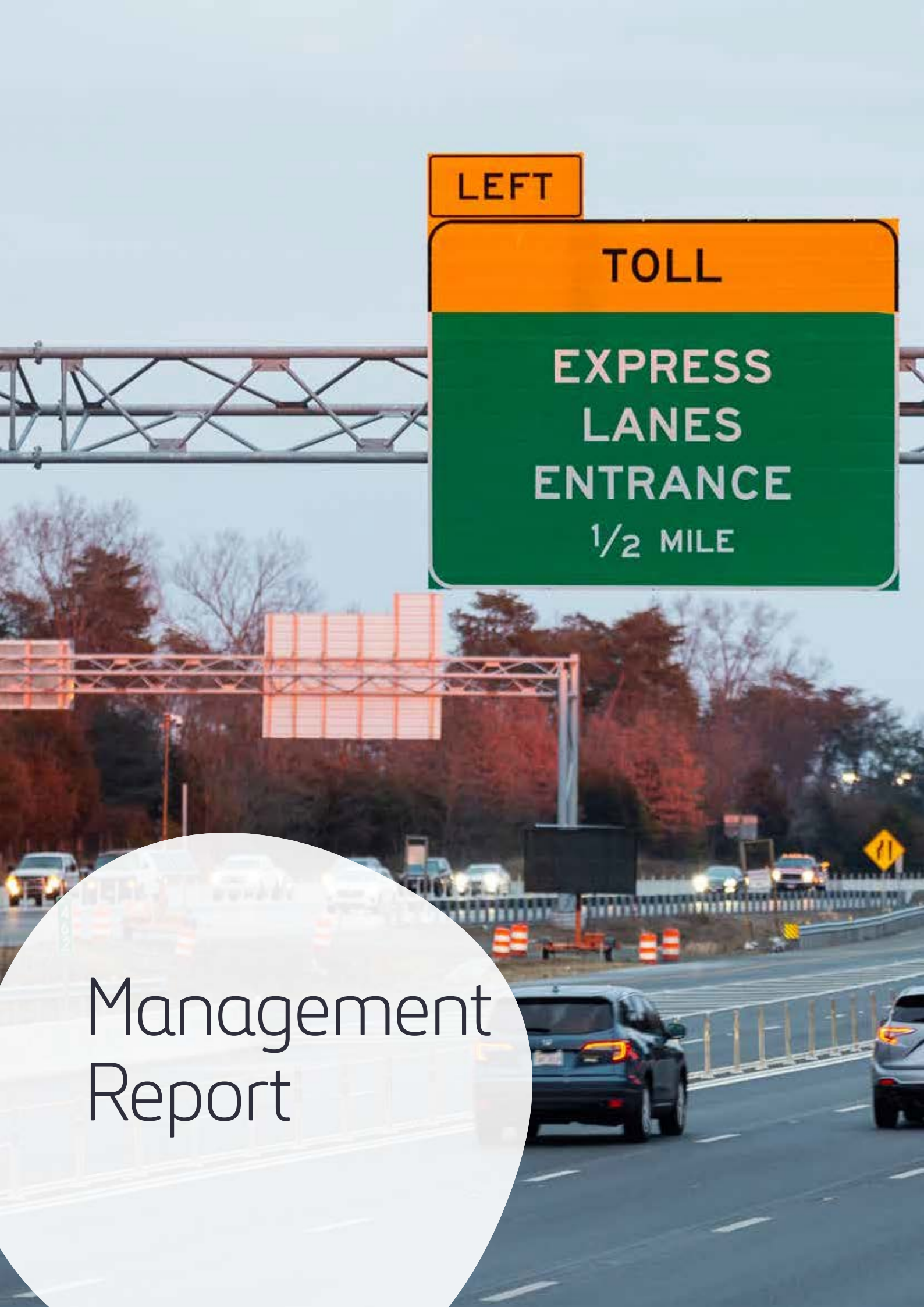
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Management Report



I-66/I-495 Toll Road. Virginia, United States.



Bratislava Bypass D4R7 Expressway, Slovakia. © José Manuel Ballester.



Rafael del Pino
Chairman

Fellow shareholder:

Ferrovial delivered strong results in 2022. Toll roads recorded a positive performance, especially in the United States. NTE and 35W surpassed their pre-pandemic traffic and all of them improved, except the 35W, compared to 2021, especially the 407 ETR which did so by more than 30%. In Airports, a sustained recovery of traffic can be observed with Heathrow nearing 62 million passengers. In India, IRB has shown a good operative performance in the first year since our investment.

Revenues increased by 9.3% to 7,551 M€, while EBITDA rose to 728 M€, a growth of 19.3% compared to the 2021 fiscal year. Net income amounted to 186 M€, including discontinued operations.

Construction has secured important contracts such as the Toronto Metro, for 2,042 M€, Coffs Harbour Bypass in Australia, for 445 M€, or the Paris metro, for 181 M€, closing the year with a backlog of 14,743 M€, a record high.

It has been an active year in terms of investments, totaling 856 M€. The company has joined JFK's NTO consortium to build and manage the new Terminal 1 until 2060. The I-66 in Virginia has also opened to traffic, ahead of schedule, and we have increased our stake in the I-77 in North Carolina to 72.2%. Additionally, we have acquired a controlling stake in Dalaman Airport in Türkiye.

The divestment process of the Services division has almost been completed, with the sale of Infrastructure in Spain and Amey in the United Kingdom. This, together with the sale of Ausol and some others, has resulted in a cash flow from divestments of 429 M€.

In 2022, the company received 475 M€ in dividends from its infrastructure projects, with the 407 ETR contributing 237 M€ and the American Managed Lanes 123 M€. Ferrovial reached a net cash position ex-project of 1,439 M€.

Shareholder remuneration, including dividends, share buybacks, share redemptions and discretionary treasury stock, totaled 578 M€, an increase of 25% over the previous year.

The company continues to make progress in the decarbonization of its activities. The reduction in emissions (Scope 1&2) in absolute terms was of 3.6% compared to last year. The lost-time injuries frequency rate among our own employees also improved from 3.6 to 3.2 per million hours worked in comparable terms, although the accident rate is still far from our aspirations.

Ferrovial's commitment to maintaining the highest environmental, social and governance standards is endorsed by its inclusion in the DJSI for the 21st year in a row and we preserve our position in the FTSE4Good, CDP, Sustainalytics, MSCI, Moody's, ISS ESG, STOXX, and Bloomberg Gender indices.

The Board of Directors has resolved to submit to the General Shareholders' Meeting for approval the merger of Ferrovial, S.A. into its Dutch subsidiary Ferrovial International SE. If the transaction is approved, Ferrovial's shares will be publicly traded in Spain and the Netherlands. A listing in the United States will also be applied for at a later stage.

This transaction is a step further in the development and international growth of Ferrovial, whose capital allocation and pipeline are currently focussed in the United States and who also desires to maintain its essential ties with Spain and Europe, where its roots lie and where it intends to remain.

Once again, I would like to thank Ferrovial's employees across our organization for their efforts and dedication. Without them, the continued performance of this company would not be possible. I would also like to express my gratitude to investors, shareholders and clients for their long-term support, which is essential for Ferrovial to continue to create value for society as a whole.

Rafael del Pino



In 2 minutes

12 Key figures
13 Milestones 2022
14 Main markets
16 Ferrovial on the Stock Market
18 Business model
20 Sustainability
21 Health, Safety and Wellbeing
22 Metro



Ostrôda bypass bridge, Poland. © José Manuel Ballester.

IN 2 MINUTES

Key figures

TOTAL LIQUIDITY (M€)

6,118

ex-infrastructure.
Includes undrawn lines
(964 M€)

REVENUES* (M€)

7,551 — 2022

6,910 — 2021

+9.3% — compared to 2022

* Figures excluding Services, classified as discontinued operations.

NET CASH (M€)

1,439

ex-infraestructure

CONSTRUCTION ORDER BOOK (M€)



+18.7%

14,743

CO_2 EMISSIONS

scope 1&2 tCO_2 eq/M€

42.91

CO_2 EMISSIONS

scope 1&2 tCO_2 eq/

-25.35%

in absolute terms
compared to 2009

OPERATING CASH FLOW (M€)

(before taxes)

584

ex-infraestructure

429

in divestments

TOTAL TAXES* (M€)



1,569

*Supported, paid and collected in 2022

WORKFORCE AT YEAR-END*



24,191

*as of December 31, 2022

FREQUENCY RATE(1)

3.2

(1) This rate includes the number of accidents with lost time occurring during the working day per million hours worked. Contractors are not included.

BENEFICIARIES OF COMMUNITY PROJECTS

160,333

beneficiaries of the Stronger Together, Social Infrastructure and other programs

IN 2 MINUTES

2022 Milestones

JAN 01

Sale of the Infrastructure Services business in Spain to Portobello Capital for 175 M€.

Bloomberg Gender-Equality Index selects Ferrovial.

Alliance with Microsoft to develop digital solutions.

FEB 02

Contract awarded for the construction of a toll road in North Carolina for 261.8 M$.

Glasgow to create the largest airport solar farm in Scotland.



MAR 03

Awarding of a section of the Murcia-Almería high-speed railway line for 171 M€.

Inauguration of the Concordia Bridge at Valdebebas, Madrid.

APR 04

Contract awarded for the construction of a section of the Paris subway for 438 M€.

Expansion of Zity's business to Milan and Lyon.

Award of water contracts in Texas, USA, for 279 M$.



MAY 05

Rafael del Pino receives the Caminos Foundation's Professional Career Award.

Opening of new sections of SH 99-Grand Parkway in Houston, USA.

470,000€ donation to Red Cross and Caritas of "Stronger Together for Ukraine" to help 100,000 persons displaced and refugees.

JUN 06

Financial close as a member of the consortium that will develop JFK Airport's New Terminal 1, New York (USA).

Contract awarded for the construction of the Coffs Harbour Bypass, in New South Wales, for 1,400 M€.



JUL 07

Acquisition of 60% stake in Dalaman International Airport (Türkiye).

Webber awarded 332 M€ contract to widen four toll roads in Texas.

AUG 08

Contract awarded for the expansion of a toll road in North Carolina, USA, for more than 278 M€.

SEP 09

Inauguration of the first phase of the I-66 project in Virginia, USA.

Groundbreaking for JFK International Airport.

Awarded contract to widen SH 36 in Texas for more than 113 M$.

OCT 10

Cooperation with Cellnex UK to accelerate the adoption of 5G in the construction industry.

Update of Human Rights Policy.

First infrastructure company to receive AENOR's Good Corporate Governance certification.

NOV 11

Financial close of the construction of the Ontario Metro Line in Toronto, for 4,450 M€.

Opening to traffic in Virginia of the I-66 Managed Lanes, with an investment of 3,700 M$.

DEC 12

Increased stake in the US I-77 highway to 72.24%.

Presence in the Dow Jones Sustainability Index for the 21st consecutive year.

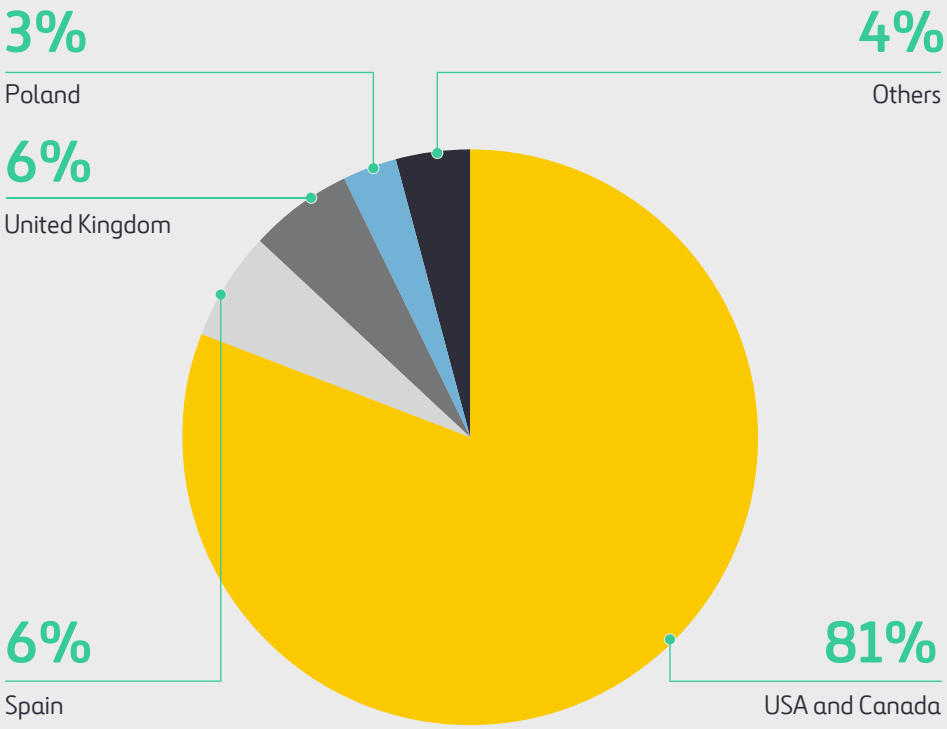
World leadership in climate change for the 13th consecutive year in CDP.

Completion of the sale of Amey for 301 M€.

IN 2 MINUTES

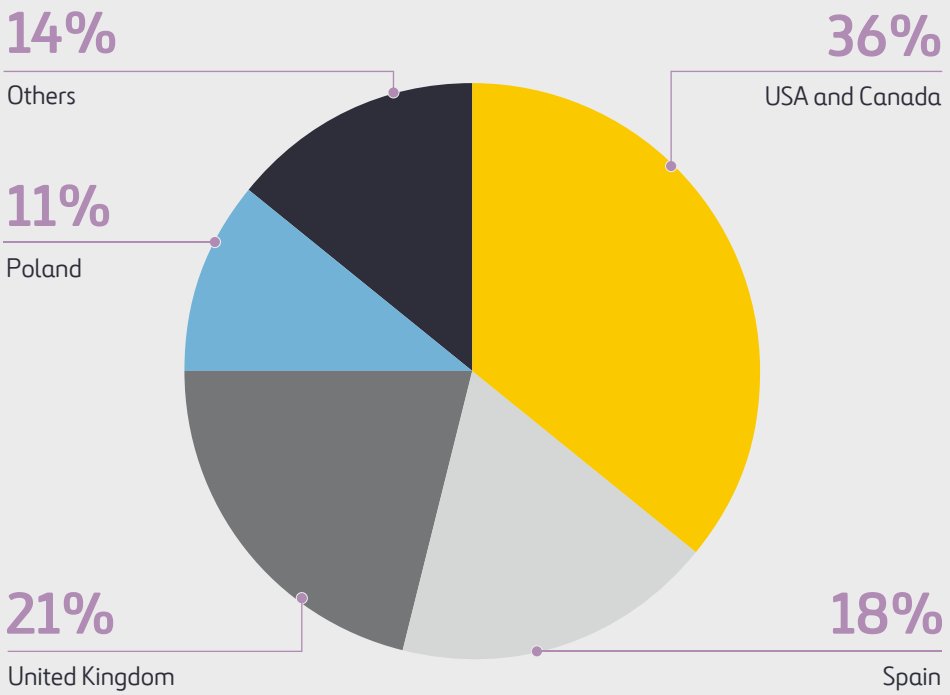
Main markets*

ANALYSTS' VALUATION*



* As of December 2022.

REVENUES





USA

2,437 M€

REVENUES



SPAIN

1,443 M€

REVENUES



UNITED KINGDOM

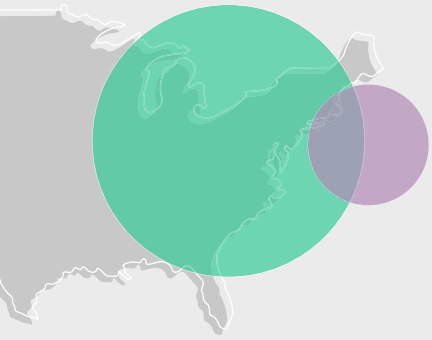
1,661 M€

REVENUES

* Figures by proportional consolidation. Financial data does not include Services (discontinued operations).

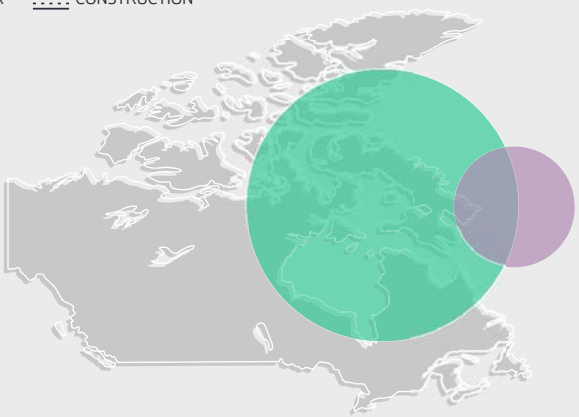
WEIGHT ON ANALYSTS VALUATION AND REVENUES

TOLL ROADS AIRPORTS MOBILITY ELECTRICITY WATER CONSTRUCTION



207 M€
EBITDA

4,178
WORKFORCE

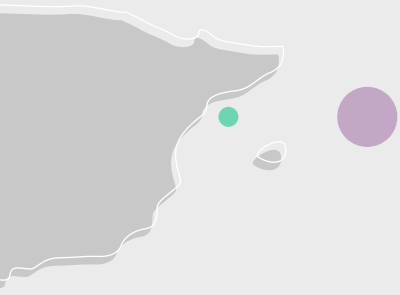


CANADA

523 M€
REVENUES

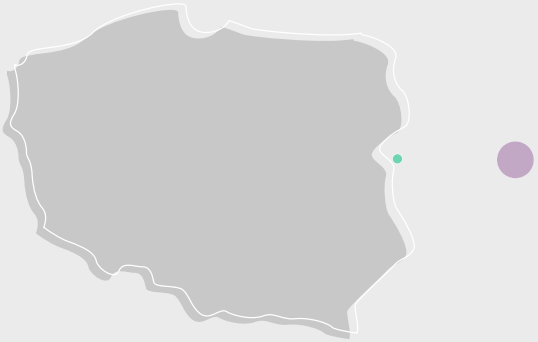
368 M€
EBITDA

615
WORKFORCE



147 M€
EBITDA

5,413
WORKFORCE

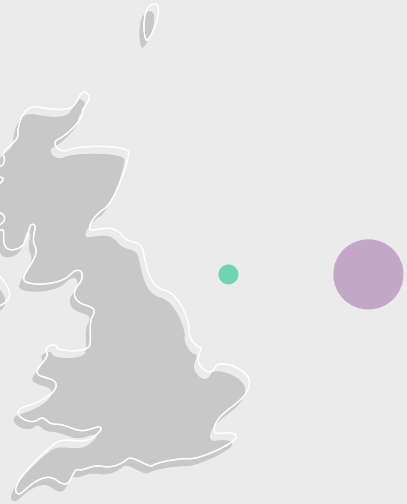


POLAND

923 M€
REVENUES

76 M€
EBITDA

6,102
WORKFORCE



514 M€
EBITDA

1,160
WORKFORCE



LATIN AMERICA

409 M€
REVENUES

7 M€
EBITDA

5,271
WORKFORCE

IN 2 MINUTES

Ferrovial on the Stock Market

SHARE PRICE IN 2022

FERROVIAL
IBEX35



27.56€
Price at 2021 year-end

24.47€
Price at 2022 year-end

HISTORICAL SHARE DATA

	2022	2021	2020
PRICE AT YEAR-END (€)	**24.47**	27.56	22.60
MAX. (€)	**27.72**	27.75	30.45
MIN. (€)	**22.82**	19.81	17.49
VWAP (€)	**24.77**	24.15	23.66
AVERAGE DAILY CASH (M€)	**30.02**	32.48	46.86
AVERAGE DAILY VOLUME (M SHARES)	**1.21**	1.35	1.97
NUMBER OF SHARES (M SHARES)	**727.443**	733.60	732.90
CAPITALIZATION (M€)	**17,801**	20,218	16.564

CAPITALIZATION (M€)
17,801

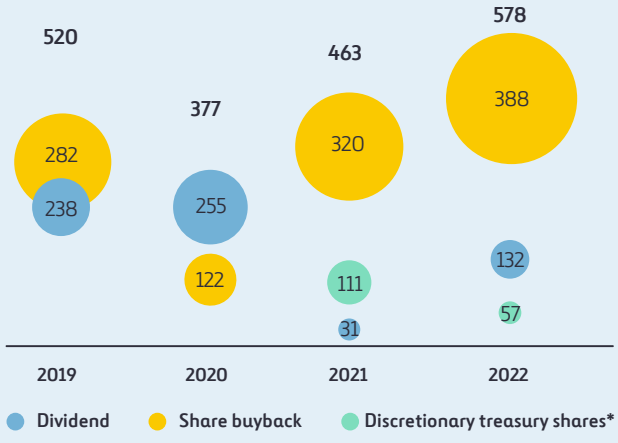
CREDIT RATING
BBB
S&P AND FITCH

TOTAL SHAREHOLDER RETURN (TSR)*
-8.6%

* Total Shareholder Return (TSR): is the sum of dividends received by the shareholder, the valuation/depreciation of the shares and other payments such as delivery of shares or repurchase plans.

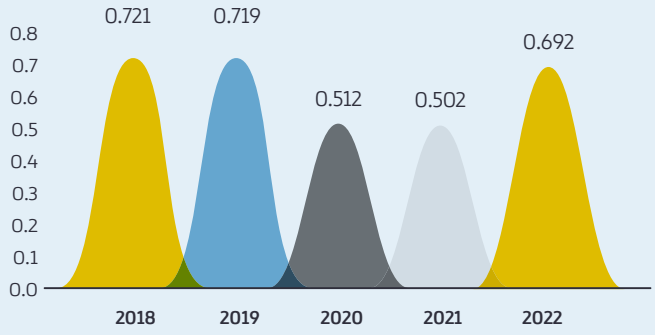
ANALYSTS' TARGET PRICE
30.18€

SHAREHOLDER REMUNERATION (M€)



* In 2021 the Board of Directors approved a treasury shares acquisition, executed from October 2021 to January 2022.

SCRIP DIVIDEND* (€/SHARES)



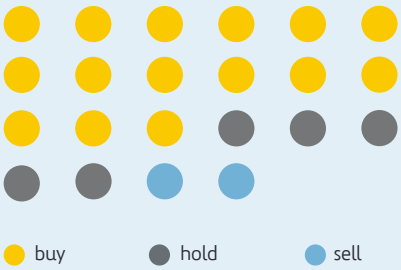
* Sum of the two scrip dividends paid during the year (committed purchase price of rights by Ferrovial).

CONTACT WITH THE MARKET

More than 200 meetings, mostly calls, 22 roadshows, with nearly 600 investors

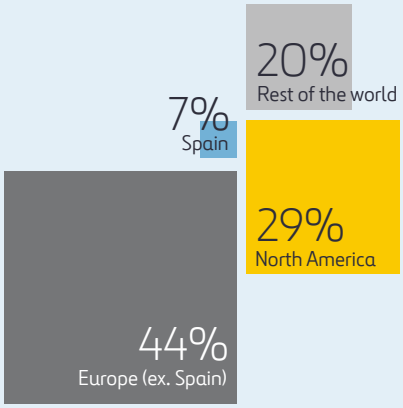
ANALYSTS' RECOMMENDATION

22 analysts covered Ferrovial as of December 31, 2022



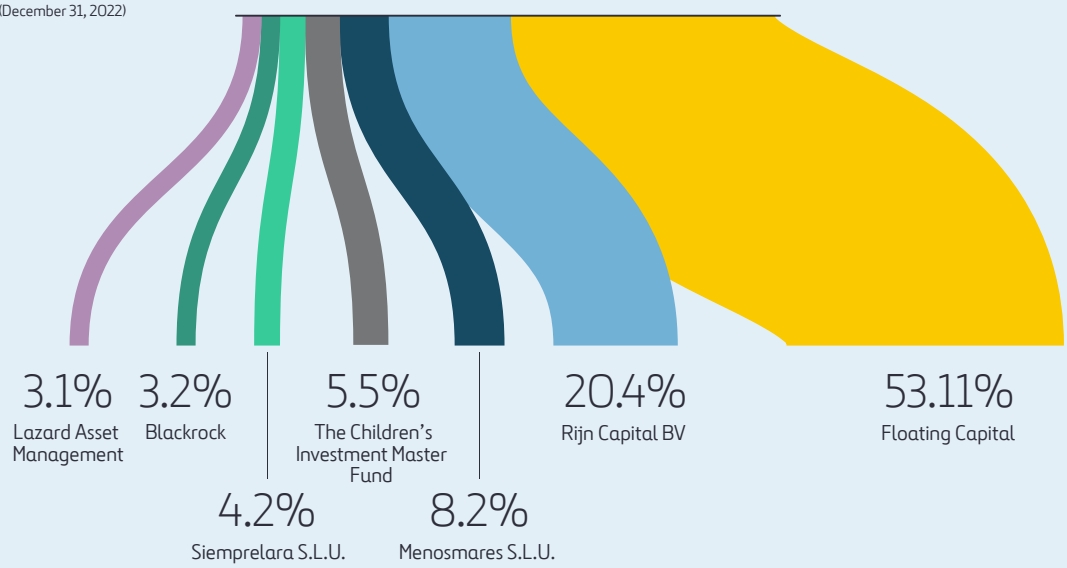
INSTITUTIONAL INVESTORS*

*Source: CMi2i (October 2022)



SHAREHOLDER'S STRUCTURE*

*Source: CNMV (December 31, 2022)



Financial situation

GLOBAL CONSOLIDATION

EX-INFRASTRUCTURES

Recourse debt

NET CASH
1,439 M€

CONSTRUCTION
CORPORATION

INFRASTRUCTURES

Non-recourse debt

NET DEBT
7,219 M€

TOLL ROADS
NTE, LBJ, NTE35W, I-77, I-66, Autema, Azores
Projects of other divisions consolidated globally

EQUITY CONSOLIDATION

407 ETR — 43.23% Stake

Heathrow — 25% Stake

THE NEW TERMINAL ONE — 49% Stake

ags — 50% Stake

IRB — 24.86% Stake

IN 2 MINUTES

Business model

RESOURCES

PEOPLE

24,191 employees

14.6 hours of training per employee

INNOVATION

75 M€ investment in R&D

136 R&D projects developed

LOCAL SUPPLIERS

49,000 suppliers

97% of local purchases

ENVIRONMENT

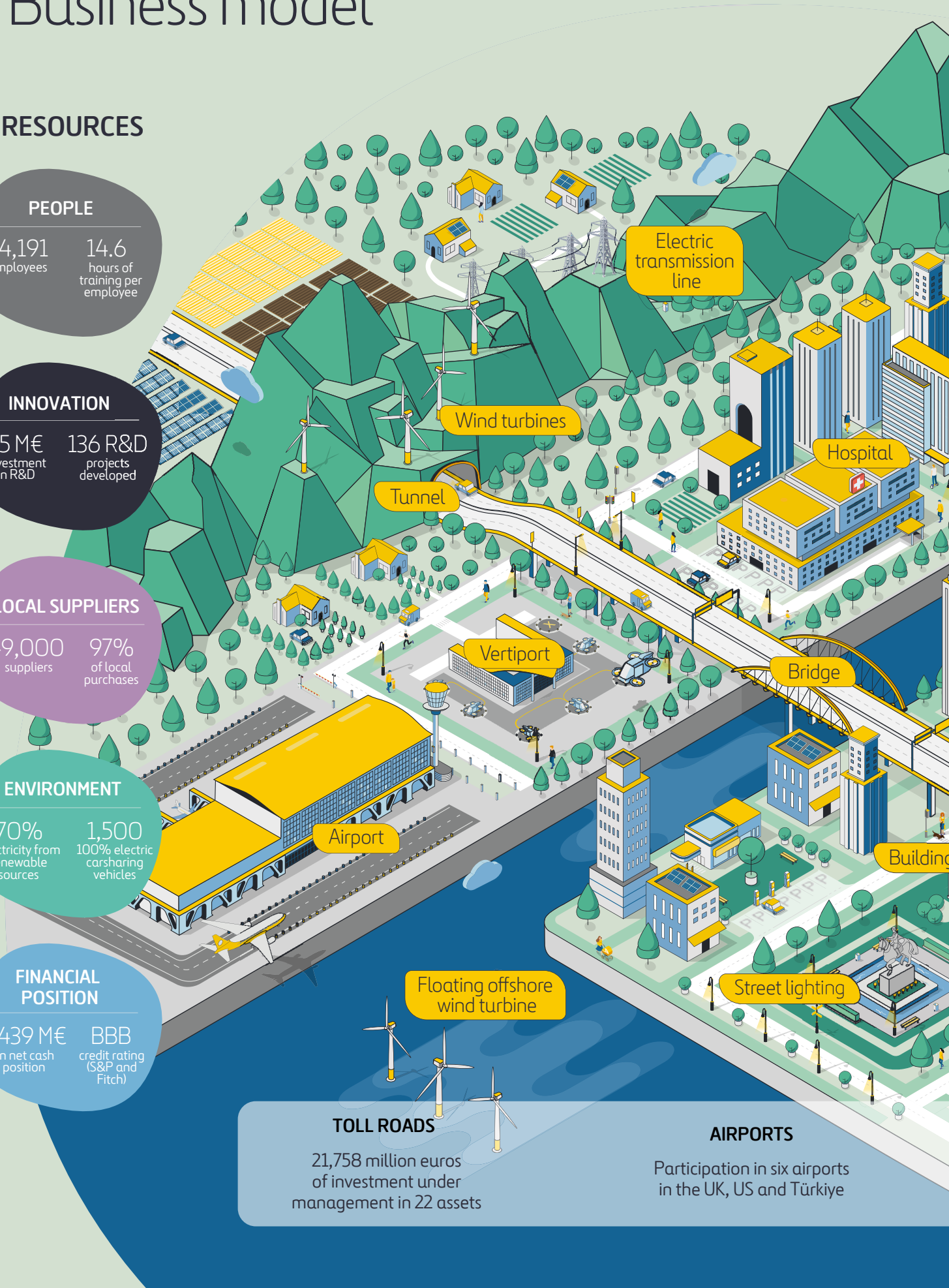
70% electricity from renewable sources

1,500 100% electric carsharing vehicles

FINANCIAL POSITION

1,439 M€ in net cash position

BBB credit rating (S&P and Fitch)

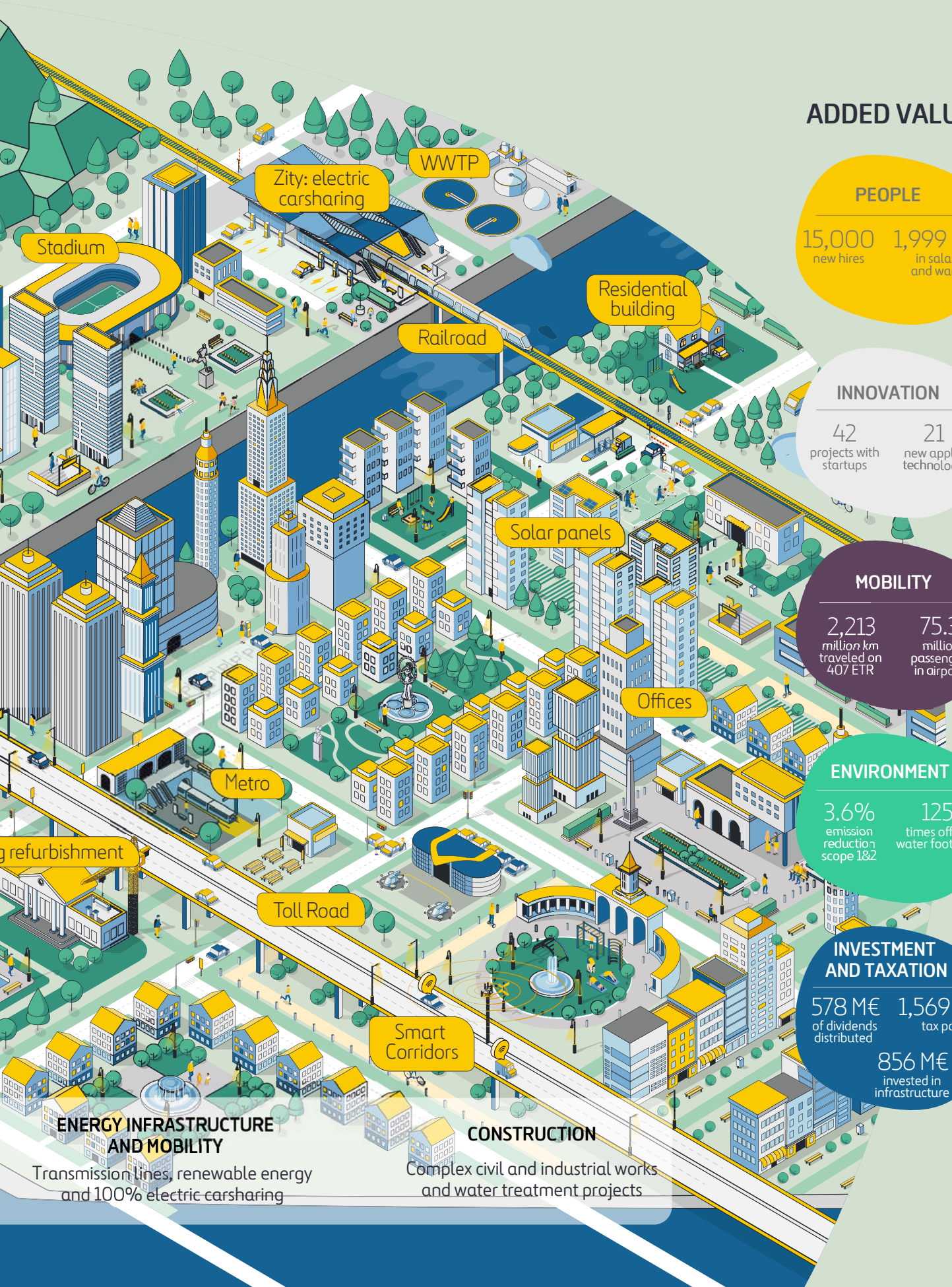


TOLL ROADS

21,758 million euros of investment under management in 22 assets

AIRPORTS

Participation in six airports in the UK, US and Türkiye



ADDED VALUE

PEOPLE

15,000 new hires

1,999 M€ in salaries and wages

INNOVATION

42 projects with startups

21 new applied technologies

MOBILITY

2,213 million km traveled on 407 ETR

75.3 million passengers in airports

ENVIRONMENT

3.6% emission reduction scope 1&2

125 times offset water footprint

INVESTMENT AND TAXATION

578 M€ of dividends distributed

1,569 M€ tax paid

856 M€ invested in infrastructure

ENERGY INFRASTRUCTURE AND MOBILITY

Transmission lines, renewable energy and 100% electric carsharing

CONSTRUCTION

Complex civil and industrial works and water treatment projects

IN 2 MINUTES

Sustainability at the core of the strategy

Sustainability is one of the pillars of the Horizon 24 plan. For Ferrovial, sustainability is a commitment and an opportunity to create value for all its stakeholders. The group is committed to protect the environment and to improve lives and communities, while executing best governance practices.

THE THREE STRATEGY VECTORS

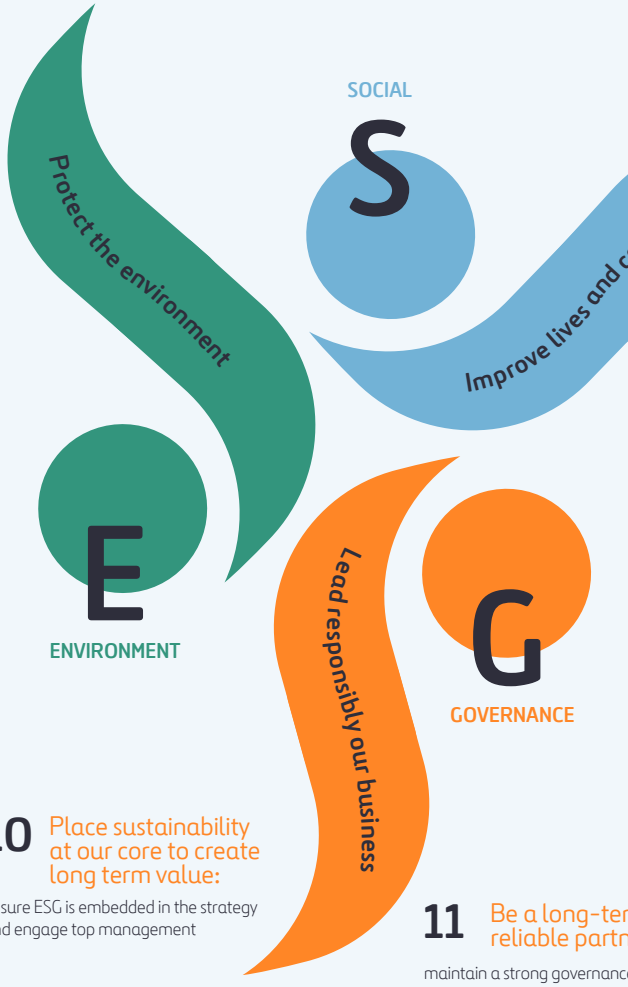
1 Contribute to decarbonization:
commit to become carbon neutral in 2050, promote low-carbon infra and support energy transition

2 Reduce our enviromental footprint:
reduce and compensate water consumption, promote circular economy and reduce impact on natural capital

3 Adapt to climate change risk:
manage climate transition risks and increase infra resilience through design improvements

4 Promote businesses to solve global enviromental challeges:
develop business models to support energy transition (ie. energy efficiency, urban renovation, vertiports)

5 Foster business towards a taxonomic portfolio:
assess and monitor alignment and consider taxonomy for new projects



6 Foster economic development and engage with local communities:
enhance economic activities in the regions where we operate and contribute to social development

7 Improve people's quality of life:
create better places to live and work, improve infrastructure safety and user satisfaction

8 Improve health, safety and wellbeing:
promote key initiatives and programs for employees

9 Develop talent ensuring diversity and inclusion:
expand global and local talent pool and provide career development opportunities

10 Place sustainability at our core to create long term value:
ensure ESG is embedded in the strategy and engage top management

11 Be a long-term reliable partner:
maintain a strong governance model and commit to Ferrovial values and governance practices

FERROVIAL: CONSISTENT AND ROBUST PRESENCE IN INDEXES

Dow Jones Sustainability Indices	CDP A LIST 2022 CLIMATE	ESG INDUSTRY TOP RATED	FTSE4Good	EURONEXT VE	STOXX	MSCI ESG RATINGS	ISS ESG Prime	A	standard ethics
S&P Global	Climate change	Morningstar	London Stock Exchange Group	Moody's	Deutsche Börse Group	Morgan Stanley Capital International	ISS	Specialized in infrastructure	Sustainability
75 points	A	26.2 points	3.7 points	Included in Euronext Vigeo 120 Europe	Included in the index	A	Prime	88 points - A	EE-
21 years in a row in the world index	13 years in a row with highest score	Best rating among large construction companies	19 years in a row in the index	Only Spanish construction firm in the index	Nine years in a row in the index		The only large construction company with the highest score in the Governance Quality Score	Top 10 worldwide. First Spanish	Leader within large construction companies

IN 2 MINUTES

Never enough

Health, Safety and Wellbeing (HSW) is not only a cornerstone of the Horizon 24 strategic plan, but it is also part of Ferrovial's DNA. The involvement both of management and employees is absolute, with the sole objective of creating safe places to work and for everyone to return home safe. It can never be enough.

HSW STRATEGY

VISION



4 OBJECTIVES

1 LEADERSHIP
Workers concern, lead and comply with company HSW expectations and requirements

2 COMPETENCY
Employees competent to perform their duties

3 RESILIENCE
Ability to respond to and prepare for adverse situations

4 COMMITMENT
Learning environment to share, innovate and manage risks with eficiency

LINES OF ACTION

- Involvement of leaders
- Accountability by category
- KPIs linked to individual performance
- Reward and recognition of excellence

LEADERSHIP
3,329
leadership actions

RESILIENCE
2.64
HIPO frequency rate

- Systems and processes incorporate high-potential event reporting
- HSW, integrated into the strategy and life cycle of projects
- Real-time data to ensure the health, safety and wellbeing of employees

- Training programs
- Defined competencies
- Annual reviews
- The HSW function is a management support

COMPETENCY
5,789
critical safety roles trained

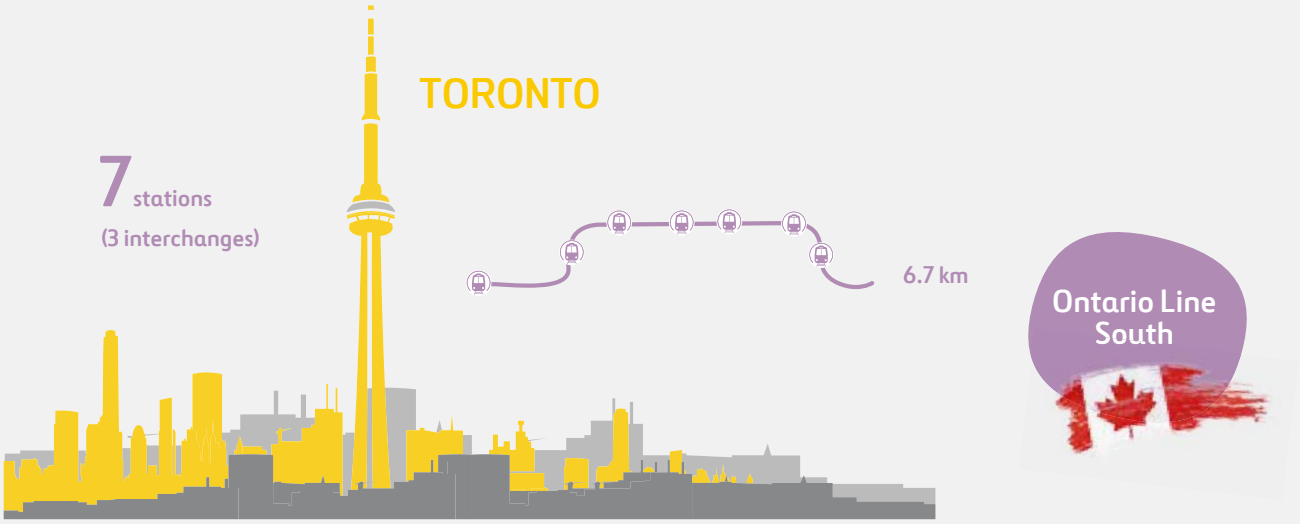
COMMITMENT
465
preventive observations frequency rate

- Learning from events
- Improve employee engagement
- Define communication framework

IN 2 MINUTES

Metro: Ferrovial's line crosses the world

The metro is the urban transport by excellence. Ferrovial has designed, built tunnels, laid tracks and excavated stations in some of the world's major cities. Madrid, London, Lisbon, Barcelona, Santiago, Oporto, are some of these places. Now Ferrovial faces the challenge of working in Toronto, Sydney and Paris. And it will do so while respecting unique buildings.



THE CONTRACT

Client: Ontario Transit Group
Type: design, construction and financing
Partners: Vinci Construction Grands Projects
Project value: 4,450 M€
Duration: 2022-2030

THE PROJECT

Diameter: 6.83 m
Depth: > 35 m
TBMs: 2 twins
Machinery: conventional excavation of tunnels and caverns, gantries and moving cranes, heavy loads, formwork carriages, pile drivers and pile-driving machinery
Excavation: 1,400,000 m^3
Concrete: 275,000 m^3
Steel: 25,000 t

THE MANAGER

Ricardo Ferreras
Education: Civil Engineer. IESE and IE Business schools
Joined Ferrovial: 2002
Projects:

- Guadarrama Tunnels
- Pajares Tunnel
- High Speed Basque Y Tunnels
- Venta de Baños High Speed Railway Viaducts
- Valladolid-Palencia High Speed Railway Track Assembly
- Peña Rayada Tunnel
- Thames Tideway Tunnel
- HS2 London-Birmingham

"The biggest challenge is the logistics and planning to efficiently execute a project of this magnitude in the center of a city like Toronto."



Ricardo Ferreras, project manager

SINCE 1927, 200 KILOMETERS BUILT



- Valencia 7.51 km - 7 stations
- London 2 km – 4 stations
- Santiago de Chile 11.96 km – 17 stations
- Sydney 23 km – 5 stations
- Granada 3.50 km – 6 stations
- Lisbon 5.66 km – 5 stations
- Bilbao 7.50 km – 11 stations
- Barcelon
- Oporto 6.2 km -7 stations
- Paris 6.7 km – 3 stations

PARIS



18-3 Line

THE CONTRACT

Client: Grand Paris Express
Type: design and construction
Partners: Spie Batignolles
Project value: 420 M€
Duration: 2022-2029

THE PROJECT

Diameter: 9.10 m
Depth: 45 m
TBM: 1
Excavation: 755,000 m^3
Concrete: 178,000 m^3
Steel: 15,000 t

THE MANAGER

Albert Molné
Education: Civil Engineer, Business Administration and Management, IESE Business School
Joined Ferrovial: 1995
Projects:

- Barcelona Metro Line 9
- Grand Parkway Houston
- NTI Dallas
- LHT Perpignan

> "The use of a Variable Density TBM will help to minimize the settlements at Versailles."



Albert Molné, project manager

SYDNEY



Metro West

THE CONTRACT

Client: Sydney Metro
TYPE: design and construction
Partners: Acciona
Project value: 1,200 M€
Duration: 2021-2025

THE PROJECT

Diameter: 7.01 m
Depth: max. 92 m
TBMs: 2 double-shield twins
Machinery: 2 TBMs, 4 roadheaders, gantry cranes, carousel and molds
Excavation: 1,700,000 m^3
Concrete: 175,000 m^3
Steel: 10,500 t and 4,000 t fibers

THE MANAGER

David García Azaña
Education: Civil Engineer
Joined Ferrovial: 1998 and 2016
Projects:

- Extension of Line 4 Barcelona metro
- Construction of line 12 Madrid metro
- Extension of Line 1 Madrid metro
- Sanchinarro light train (Madrid)
- Boadilla light railway workshops and depots (Madrid)
- Tramway Alcalá de Guadaíra (Seville)
- Malaga metro
- Train line 229 Gdansk (Poland)
- Batinah highway (Oman)

Madrid 84.56 km -88 stations

43.28 km – 20 stations

FOR A WORLD ON THE MOVE



David García Azaña, project manager

> "A project to be executed in a tight time schedule with TBMs launches in a complicated geology."



2 Strategy and Value Creation

26 Global Vision
32 Toll Roads
36 Airports
40 Energy Infrastructure and Mobility
44 Construction



Yellow Line, Oporto Metro, Portugal.

GLOBAL VISION

Creating value

The recovery from the COVID-19 pandemic was faster than expected and supported traffic growth in toll roads and airports in western countries. However, the war in Ukraine caused a humanitarian crisis in the region and has increased tension in global markets, leading to price escalation in energy, financing, food and materials.

2022 was defined by shifts in global challenges: while the effects of the pandemic have softened, the conflict in Ukraine has disrupted global markets and led to political and economic uncertainty.

The war in Ukraine is causing a humanitarian crisis in Europe, civilians are displaced from their homes and critical infrastructure in the region in the country is being attacked. The relevance of Russia and Ukraine in the supply of energy and materials indicates that this conflict will have a long-lasting impact on global markets. So far, it has affected global supply chains and increased prices for energy, financing, food and materials.

Consequently, Governments in the US and the EU have launched stimulus packages, such as the Inflation Reduction Act and REPowerEU, respectively, to support growth and mitigate inflation. These plans complement previous programs for COVID-19 recovery like the Infrastructure Investment and Jobs Act and NextGenerationEU. These funding initiatives aim to foster economic transformation and reinforce the resilience of supply chains through digitalization, sustainable infrastructure and renewable energy.

In 2022, mobility in Europe and North America increased due to the strong recovery after the pandemic. In the geographies where Ferrovial operates, traffic on most toll roads reached 2019 levels and airport traffic is recovering steadily.

The need for new sustainable infrastructure and the volatile geopolitical context imply opportunities as well as challenges for Ferrovial:

- Urban population on the rise demands new transport infrastructure and sustainable mobility solutions in cities.
- Energy security and decarbonization commitments are accelerating investments in renewable energy.
- Technology and connectivity enable access to real-time data and help improve the security and the experience of infrastructure users.
- Inflation, energy prices and interest rates will affect economic activity in the markets in which Ferrovial operates.
- The diversification of supply chains may require new infrastructure for the transportation of goods, energy products and raw materials.
- Infrastructure needs to adapt to climate change effects and be resilient to extreme weather events.

The company is addressing these trends to develop business opportunities aligned with its strategy.

STRATEGY

Ferrovial has completed its third year of Horizon 24 strategic plan, focused on developing and operating sustainable, innovative and efficient infrastructure. During this year, the four business units have progressed in their priorities. Toll Roads continued to focus on Managed Lanes in the US with the opening of the I-66 in Virginia and increasing its stake in I-77. Airports invested in two new assets: the New Terminal One at JFK airport (New York) and Dalaman international airport in Türkiye. Energy Infrastructures and Mobility progressed in building ongoing projects in Spain and Chile, reinforcing the team, and actively seeking for business opportunities. Construction continues to support the concession businesses, executing complex projects such as the Ontario Line subway in Toronto (Canada). Finally, the divestment of Services has been substantially completed after the sale of Amey and the Infrastructure Services business in Spain.

Strategic priorities:

- **People:** promote the highest health and safety standards and implement innovative technologies to prevent accidents for users and employees. For example, the company supports employees' wellbeing and fosters healthy behaviors through the HASAVI program.
  Ferrovial maintains its commitment to employees: attracting, developing, engaging, and retaining talent in order to expand its expertise and increase competitiveness. The company's culture encourages diversity and collaboration to generate innovative ideas and create value.
- **Sustainable growth:** develop and operate sustainable infrastructure with high concessional value:
  - In **Toll Roads**, develop greenfield projects such as Managed Lanes in North America, support Ferrovial's partner IRB in India and leverage on digitalization to improve users' experience and road safety.
  - In **Airports**, efficiently manage the current assets while air traffic recovers pre-pandemic levels. The company focuses on delivering and integrating the new assets (JFK New Terminal One and Dalaman airport) and will continue looking for additional growth opportunities. Ferrovial is looking to develop vertiports in the US and Europe, positioning itself in the nascent Urban Air Mobility sector.
  - In **Energy Infrastructure and Mobility**, develop transmission lines, promote and rotate renewable projects, and expand the energy efficiency business in selected markets. Ferrovial is working to provide solutions for new technologies, such as floating offshore wind platforms.
  - In **Construction**, support the concession business while managing risks and inflation. The company will continue delivering complex projects and implementing innovative processes to increase competitiveness. Ferrovial is also looking for growth opportunities for its water business.

The company continues to focus on its core markets (US, Canada, Spain, Poland, Chile, UK and India), while identifying opportunities in Australia and other selected countries in Latam.



Heathrow Airport, London, United Kingdom.

- **Operational excellence:** improve efficiency, reinforce risk management and maintain financial discipline, while keeping sustainability at the core.

  For Ferrovial, sustainability is a commitment and an opportunity to create value for all its stakeholders. The company is committed to protect the environment with initiatives such as innovative design and construction processes that reduce energy and materials consumption. Also, Ferrovial's transport infrastructure helps to improve living conditions and communities, enhancing safety, improving user experience and reducing travel times.
  This commitment is endorsed by Ferrovial's continued presence in sustainability indices such as Dow Jones Sustainability, Sustainalytics, FTSE4Good, Moody's, STOXX and Carbon Disclosure Project.
  Finally, from a financial perspective, Ferrovial will keep strengthening its capital structure and rotating non-core assets and businesses to realize value and fund future growth.
- **Innovation:** support business transformation through digitalization with initiatives such as NextMove and Connected Sites. Foster an entrepreneurial and digital culture and pioneer solutions that leverage on innovative technologies to turn global challenges into business opportunities.

GLOBAL VISION

Horizon 24: Year Three

The Horizon 24 Strategic Plan, which covers the period 2020-2024, is now in its third year. It focuses on the development, construction and operation of sustainable infrastructure. Its implementation is taking place in a challenging environment marked by the COVID-19 pandemic, the Ukraine conflict and high inflation. Despite these unforeseen events, it is progressing according to plan.

VISION

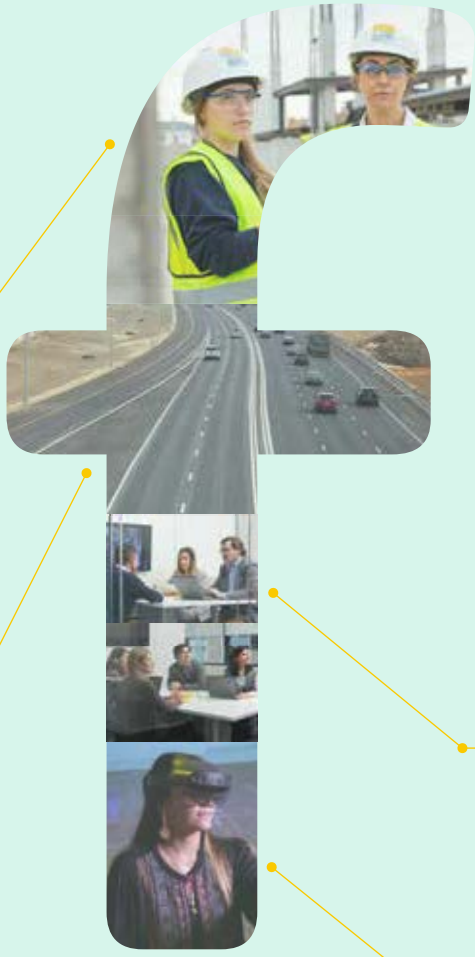
Develop and operate sustainable, innovative and efficient infrastructures, creating value for stakeholders

PURPOSE

Sustainable infrastructures for a world on the move

VALUES

Integrity Respect Innovation Collaboration Excellence



PEOPLE

- Health, Safety and Wellbeing: 15% reduction target in frequency rate of serious and fatal accidents
- Implemented culture, diversity and engagement plans
- Launched Workday and 360 feedback

SUSTAINABLE GROWTH

TOLL ROADS

I-66 opened to traffic

I-77 stake increase up to 72.24%

Digital Business: launch new division (NextMove by Cintra)

Rotation of mature assets: Algarve and Ausol

AIRPORTS

Heathrow and AGS: passenger recovery and efficiencies

Growth: New Terminal One in JFK and Dalaman International Airport

Vertiports: Hired team and develop business

CONSTRUCTION

Significant awards in US, Canada, Poland and Australia

JFK New Terminal One PMO

Proactive management of cost escalation

Abacus implementation on track

ENERGY

Infrastructure:

Building Centella (transmission) and Berrocal (solar PV)

Focus on developing greenfield projects in US, Spain, Poland and Chile

Reinforced team

Solutions:

Renewables EPC projects in Spain and US

Transmission, evacuation and substation projects in Spain and Chile

Energy efficiency projects for municipalities and private clients

OPERATIONAL EXCELLENCE

- Focus on sustainability
- Reinforce efficiency
- Enhance risk management

INNOVATION

- Digital Horizon Innovation plan
- Support business transformation (Workday, NextMove, Abacus)
- Progress on digitalization projects (Connected Sites, Digital Asset Management)

OTHER BUSINESS

Services: sale of Amey and Infra Spain

Water: new contracts in US and Spain

Mobility: joined MIT Mobility Initiative

Sustainable infrastructures for a world on the move

Sustainability is at the core of Ferrovial's strategy. The company creates value by developing and operating innovative, efficient and sustainable infrastructures.

The group is committed to protect the environment and to improve lives and communities, while executes best governance practices.

This commitment is endorsed by Ferrovial's continued presence in sustainability indexes such as the Dow Jones Sustainability for the last 21 years, as well as its recurrence in others such as Moody's, Sustainalytics, STOXX or Carbon Disclosure Project.

ENVIRONMENTAL

REDUCTION OF GHG EMISSIONS SCOPE 1&2
-25.35%
in absolute terms compared to 2009

REDUCTION OF GHG EMISSIONS SCOPE 3
-34.15%
in absolute terms compared to 2012

ELECTRICITY CONSUMED FROM RENEWABLE ENERGY
70%

Ferrovial's main assets are the Managed Lanes, toll roads with a dynamic toll structure in urban corridors, which relieve traffic congestion and avoid the generation of GHG emissions. Ferrovial is currently immersed in the development of interconnected corridors by means of technologies such as 5G or Artificial Intelligence, which will make it possible to offer safer, more comfortable roads that reduce traffic congestion.

Ferrovial's innovative activity develops competitive advantages and guarantees a sustainable impact by transforming the business and generating new products and services through exploration and experimentation with new technologies. Evidence of the above is 42 collaborations with startups, as well as 74.8 million euros invested in R&D&I in 2022 for 136 innovation programs.

In this path of innovation, it is positioned in the incipient sector of Urban Air Mobility with Vertiports after consolidating Zity, zero-emission carsharing that reduces conventional traffic and induces a reduction in the use of private vehicles. Heathrow Airport is promoting the use of SAF fuel in the aviation sector.

Ferrovial has a decarbonization roadmap, the Deep Decarbonization Path. As part of this plan, it has set a target of reducing its scope 1&2 emissions by 42.9% in absolute terms by 2030. In this regard, it was the first company in the sector worldwide to establish and have endorsed its SBTi emissions reduction targets for Scopes 1, 2 and 3 by 2030.

It is also one of the first companies in the world to submit its Climate Strategy and Greenhouse Gas Emissions Reduction Plan 2020-2030 and the projection to 2050 for annual consultative approval at the General Shareholders' Meeting.

In line with this roadmap, the company is building a 50 MW solar photovoltaic plant in Seville (Spain) and has a transmission line already operational in Chile, acquired in 2016, and another under construction, the Centella project, as well as, initiatives such as the development of wind and photovoltaic plants or the award of five new water treatment and wastewater treatment plants.

Ferrovial plays a key role in water management, contributing to solving the main challenges of water supply, quality, sanitation and pollution, without neglecting Ferrovial's commitment to reducing water consumption and pollution. Since 2015, Ferrovial has been reporting its water footprint through an internally developed methodology that quantifies the impact of the company's activities on this resource.

SOCIAL

EMPLOYEES
24,191
by the end of 2022

FREQUENCY RATE
-63.6%
compared to 2021

VACANCIES COVERED THROUGH INTERNAL PROMOTION
21.4%

INVESTMENT IN TRAINING
9.05 M€
264.2 €/professional

LOCAL PROCUREMENT
97.04%



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

Under the premise of having a positive impact on society, the company focuses all its efforts on building a diverse workforce with the best talent based on meritocracy and inclusion, with the highest standards of Health and Safety for its employees.

The incorporation of the best talent in all areas of the organization is one of Ferrovial's priorities. During 2022, the performance and talent review model was consolidated, whose main objective is to strengthen meritocracy and skills development.

The Horizon 24 Strategic Plan establishes the objective of having an increasingly diverse workforce, generating an inclusive environment, where collective intelligence is enhanced to increase competitiveness. During 2022, the presence of women in leadership positions has increased from 21% to 23.4%, in line with the objective of having 30% of women in this collective by the end of 2024. On the other hand, the company ensures compliance with equal pay for men and women, for which different actions have been developed to monitor the gender pay gap.

Ferrovial focuses its efforts on ensuring that all employees internalize health, safety and wellbeing as key values in their daily work, which is critical to creating safe and healthy work environments. All of this is articulated through the Health, Safety and Wellbeing Strategy 2020-2024, approved by Ferrovial's Board of Directors in 2019.

The company continues to work on High Potential Events, events with the potential to have caused a fatal or catastrophic accident but which were ultimately avoidable. All of them are reported and analyzed weekly by the Management Committee.

Ferrovial is aware of the economic and social development it generates in the markets in which it operates and its positive contribution to local communities thanks to the basic infrastructures it develops.

In 2022, a new Human Rights Policy covering the entire value chain was approved, and it has continued with the evaluation of its supply chain, made up of more than 49,000 suppliers, through the Ethical Integrity Due Diligence procedure and bearing in mind the Suppliers' Code of Ethics, which includes ESG factors. With a target of 100% local procurement, last year it reached 97.04%.

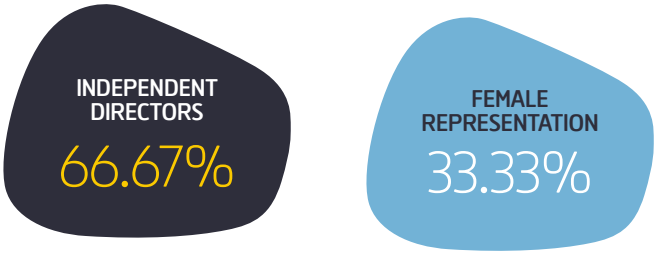
Ferrovial aims to contribute, through its infrastructure and construction projects, to the economic development of the areas in which it operates.

In this regard, Cintra contributes to the creation of jobs and the development of local economies (supply chain), as stated in its Quadriga Report.

The company's commitment to local communities goes beyond this, with various social programs focused on the most vulnerable groups in the markets where it operates. The company has donated 6.8 million euros for the development of water and sanitation infrastructures in vulnerable communities in Latin America, Africa and Asia, which have enabled 286,213 people in 12 countries to have access to water in decent conditions. Since 2012, it has developed 52 interventions with a budget of almost one million euros to improve infrastructures that facilitate access to food in Spain. The company also maintains a firm commitment to quality education, with a special focus on promoting STEM vocations.

Ferrovial's commitment to responding to humanitarian crises dates to the earthquake in Haiti in 2010. Unfortunately, its response and mobilization capacity has been challenged by the social and health crisis generated by COVID-19 and the war in Ukraine.

GOVERNANCE



It is a priority for the company to have a corporate governance aligned with national and international best practices that guarantees the integrity necessary to achieve a profitable and sustainable business in the long term, reinforcing the confidence of shareholders and other stakeholders.

The company has a 12-member board of directors, which facilitates an efficient and participatory operation, with 75% of the members being proprietary and independent. Directors are re-elected every 3 years, as opposed to the maximum of 4 years stipulated by corporate regulations, which allows shareholders to validate their management every few years. Executive directors have been assigned variable component elements in their remuneration that include qualitative objectives relating to environmental, social and corporate governance (ESG) factors.

The Compliance Policy describes the Compliance Program, which is based on an effective risk management system. To this end, it has established a common process of evaluation, monitoring and control of compliance risks under the principle of "zero tolerance" to corruption and, in general, towards criminal acts.

Twice a year, within the framework of Ferrovial Risk Management, the company carries out a risk assessment based on the nature of the activities carried out by the company, which is updated when regulatory, organizational or other changes make this advisable. Risks are analyzed in accordance with international best practices and prioritized according to their potential impact and probability of occurrence. The results of the risk evaluations, the measures implemented for their mitigation and the proposals for continuous improvement are periodically presented to the Audit and Control Committee and the Board of Directors.

Every two years, a training and communication plan is designed and implemented in order to promote a culture of ethics and integrity and to inform the entire workforce of the Code of Business Ethics and the policies and procedures that develop it.

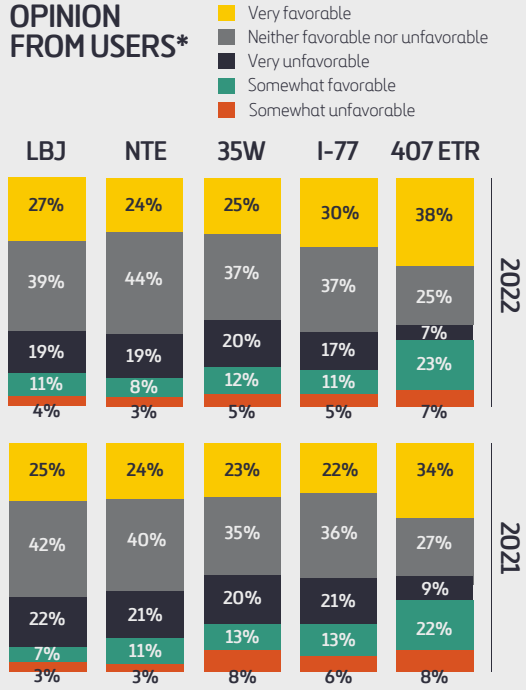
Ferrovial's Code of Business Ethics makes it mandatory to report any breach of legislation or internal regulations. To this end, it has the Ethics Channel, a confidential and, if required, completely anonymous system that guarantees users the absence of reprisals. During the 2022 fiscal year, 49 communications were received.

TOLL ROADS

Traffic: change in use habits

The questions raised by the impact of the pandemic on highway traffic in areas of high urban congestion are beginning to be answered. In general terms, a recovery has been observed, as restrictions were removed, but also a change in some usage habits. Recovery in peak hours, as hybrid work patterns consolidate, a seasonality of working from home and an increase in heavy vehicles represent the main changes.

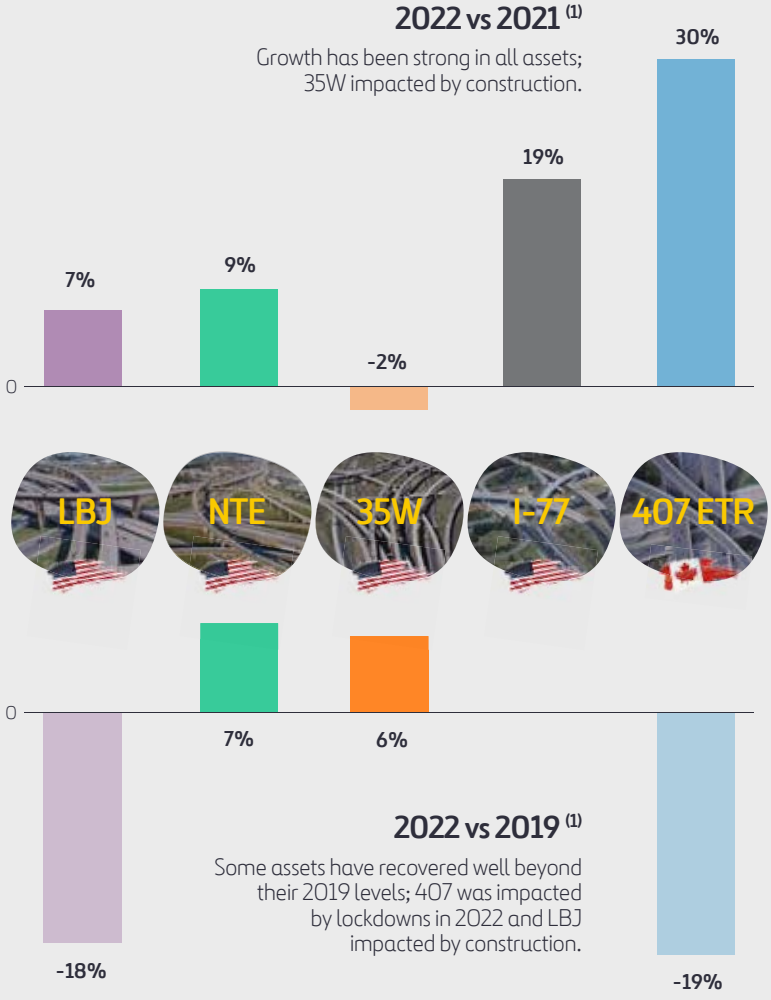
OPINION FROM USERS*



*The answer "I don't know" has not been included in the columns.

2022 vs 2021 (1)

Growth has been strong in all assets; 35W impacted by construction.

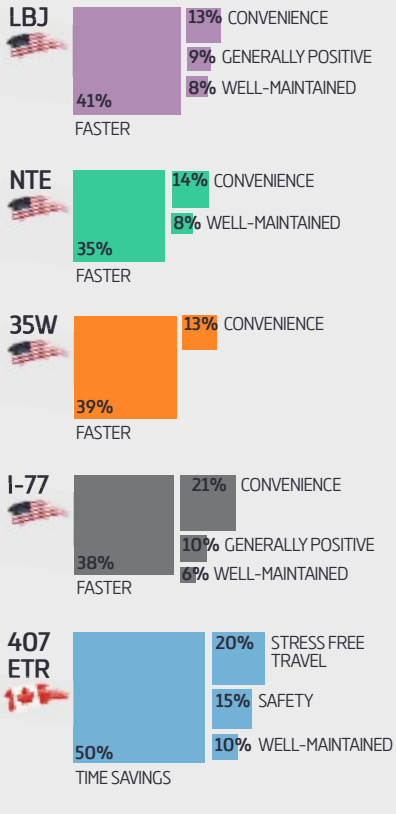


2022 vs 2019 (1)

Some assets have recovered well beyond their 2019 levels; 407 was impacted by lockdowns in 2022 and LBJ impacted by construction.

(1) LBJ, NTE, 35W and I-77 transactions. 407 ETR Vehicle Kilometers Travelled (VKT).

TOP REASONS FOR POSITIVE EXPERIENCE



FOUR CONCLUSIONS

1

AM traffic is recovering as drivers returned to work, especially in the fall. AM traffic is growing faster than any other time.

2

2022 saw more white-collar workers, particulary in Q4, return to offices on a hybrid schedule. We've seen seasonal patterns return closer to a pre-COVID shape as a result, although increased work flexibility has meant travel over holidays is more diffuse than before.

3

Despite stable rates of eCommerce in the US, trucks continued to prefer the US managed lanes, with trucks growing faster than lights overall.

4

In the second half of the year, the 407 benefitted from the detolling of the 412 and 418. These gains were outweighed by the opening of the 401 after years of construction, pulling some traffic off the 407.

TOLL ROADS

Decongesting urban areas

Cintra develops projects that improve the quality of life of users by reducing congestion in the areas where they are located and contributing to the socioeconomic development of the areas where they are located.

Cintra operates in markets with secure regulatory frameworks, good economic prospects (North America, Europe and Australia), developed financial markets and a high demand for transport infrastructure. It also looks for specific investment opportunities in those geographies where the business model can provide differential competitive advantages, have relevant growth prospects and create value for shareholders. The company focuses on offering sustainable projects to solve traffic congestion problems in urban areas (complex greenfield concessions), allowing its users to save time, have certainty in their daily commutes and increase the economic productivity of their regions of influence, generating new growth opportunities.

Cintra's more than 50 years of experience, its comprehensive management model and in-depth knowledge of new technologies applied to pricing (advanced analytics), which aim to improve demand forecasting and fare optimization, while synergizing with Ferrovial Construction, makes it a company with a high potential for value creation and strong competitive advantages. The complete management of the life cycle of projects together with a diversified and global portfolio allows Cintra to understand the needs of all parties involved (users, government, economic actors), which in turn results in the possibility of presenting innovative, sustainable proposals with greater added value.

In November 2022, it was agreed to acquire an additional 7.135% of Managed Lanes I-77 located in North Carolina (USA), increasing its stake to 72.24% for 103.7 million euros (USD 109 million). The transaction is part of the Horizon 24 Plan, focused on creating valuable sustainable infrastructure projects.

Also, I-66 Managed Lanes in Virginia (USA) fully opened to traffic on November 2022. The 22.5-mile project has been delivered ahead schedule.

During 2022, despite the complex environment in which the business has developed, the main assets have distributed dividends amounting to 388.3 million euros, which shows the financial soundness of Ferrovial's business model.

Traffic was impacted at the beginning of the year 2022 by the effect on mobility of the Omicron variant (COVID-19) and the restrictions re-introduced by the province of Ontario (Canada), which were gradually eased and removed in the first quarter of the year 2022. Traffic showed a solid path to recovery month over month, in certain US assets was above pre-COVID levels, although showing some differences between geographies.

MAIN ASSETS

Cintra owns 43.23% of the 407 ETR Toll Road in Toronto (Canada); 62.97%, 54.6% and 53.67% of the NTE, LBJ and NTE 35W Managed Lanes in Texas (USA), respectively; and 72.24% of the I-77 in North Carolina (USA) and 55.704% of the I-66, in Virginia (USA). The 3C extension north of NTE 35W, in Texas, is in the construction phase. The toll road is expected to open in September 2023.

In the Managed Lanes, rates are dynamic and can be modified every few minutes according to the level of congestion, always guaranteeing a minimum speed for drivers. With free-flow toll systems (without barriers), they stand out for the long duration of their concession, their broad tariff flexibility, and for an optimized long-term financial structure, positioning Cintra as a leader in the private development of highly complex road transport infrastructures.

The company has stakes and investments in other assets or companies in Spain, Portugal, the United Kingdom, Ireland, Slovakia, Colombia, Australia and India.

Development of the NextPass APP

NextPass is the first digital mobility product from NextMove, the new digital branch of Cintra US. Launched on the opening day of the I-66 Managed Lanes in Virginia (USA), NextPass is the mobile app for iPhone and Android that allows to pay on any toll road, bridge, tunnel or express lane in the State of Virginia, without the need for a transponder or toll tag (more info at www.nextpass.io).

NORTH AMERICA
96%
Cintra's valuation according to analysts' consensus

CONCESSIONS
22

KILOMETERS
1,262

DIVIDENDS (M€)
388

INVESTMENT MANAGED* (M€)
21,758
93% international

*Information regarding investment under management and number of concessions of IRB (India) assets is not included.

TOLL ROADS

Quadriga Report: Cintra's toll roads create jobs and wealth

The fact that highways are an engine of economic growth, generate wealth and employment, and promote a better quality of life is well known. Ferrovial has gone a step further and has measured the contribution of Cintra's toll roads using an internationally accepted methodology. The Quadriga Report*, prepared by the international consulting firm Steer, measures the economic and socioeconomic impact of all its assets.

METHOD

The Quadriga Report measures the socioeconomic impact of Cintra's toll roads until 2021

9 Countries

23,800 M€ Investment managed

21 Assets

ECONOMIC IMPACT

They are an engine of economic growth for the regions where they are located

334,000 Jobs created

61,600 M€ GDP increase

15,000 M€ Wages

SOCIAL IMPACT

Improve mobility, reduce congestion and contribute to sustainable development

23,530 M€ Reduction of travel times

1,950 M€ Improved safety and lower emissions

4,000 M€ Productivity increase

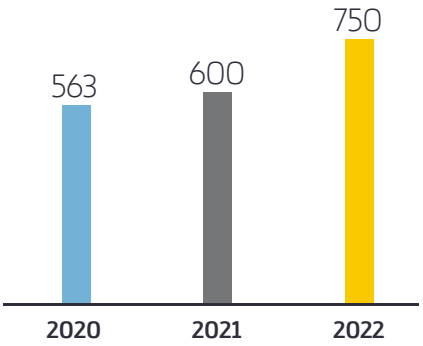
29.840 M€ Socioeconomic benefits

GEOGRAPHIES

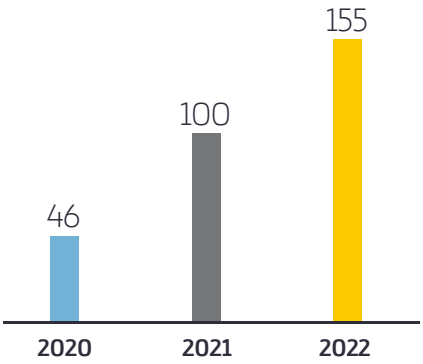
	NORTH AMERICA	EUROPE	AUSTRALIA
VALUE GENERATED	38,400 M€	16,400 M€	5,065 M€
SOCIOECONOMIC BENEFITS	22,800 M€	6,660 M€	15 M€
JOBS CREATED	202,000	106,900	10,800
FEWER ACCIDENTS	21,650	2,655	

*Data corresponding to the Quadriga Report, which may not correspond to the information of the Toll Roads division at the end of 2022.

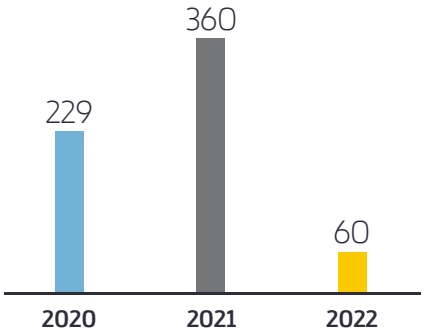
407 ETR (CANADA)
Dividends
MCAD



NTE (USA)
Dividends M$



LBJ (USA)
Dividends M$



VALUE CREATION

Highly complex greenfield projects

Cintra focuses on complex greenfield projects because of their high value creation potential. Its ability to value and assume higher levels of risk associated with the project in the bidding phase (construction, financing, operation and traffic management) allows it to opt for higher rates of return (IRR). Value creation lies by decreasing the discount rate of future cash flows as project risks are eliminated in the construction phase or reduced (traffic/financing) as the concession progresses.

An example of this elimination of construction risks are the openings in 2022 of different toll road sections in I-66, in Virginia (USA).

Turnover of mature assets

Value creation materializes with the sale of mature projects, whose incomes are invested in new assets with higher value creation potential.

Examples of this strategy are the divestment, in August 2022, of the Algarve toll road after the formalization of the sale to DIF Capital Partners agreed in 2020, for which Cintra received 23 million euros, or the transfer of 15% of Ausol, in Malaga (Spain), for 111 million euros to the infrastructure fund Meridiam.

Operational efficiency committed to the environment

All of Cintra's assets carry out actions to optimize their operations. Cintra's environmental strategy to reduce its carbon footprint began more than a decade ago with the permanent monitoring of greenhouse gas emissions, waste, air and water quality and the acoustic impact produced by traffic, continuously strengthening environmental practices and protecting the habitat of local species.

Users: excellence in service

Cintra maintains its focus on customer satisfaction and its value proposition of reliability, time savings, safety, and sustainability. Proof of this is the response from customers with increasing levels of acceptance and satisfaction in all its projects.

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 determining factor in their career. During 2022, despite the pandemic-driven environment, 15% of employees have had the opportunity to change position or location, and one in four people work in an international assignment.



Maintenance of I-66 Toll Road, Virginia, U.S.A.

AIRPORTS

JFK, next destination

For Ferrovial Airports, 2022 represents a turning point. The joint venture with the NTO (New Terminal One) consortium allows Ferrovial Airports to participate in the design, construction and operation of the new Terminal 1 at John Fitzgerald Kennedy International Airport (JFK) in New York. An ambitious and transformational operation that will position the company at the hub of communications in the world's capital.

BOARDING PASS — ferrovial airports

AIRPORT
JOHN F. KENNEDY INTERNATIONAL AIRPORT

PROJECT
TERMINAL 1

LOCATION
NEW YORK / USA

DURATION
2022-2060

CONSORTIUM
NTO / NEW TERMINAL ONE

INVESTMENT
2,300 M$
(1,140 M$ FERROVIAL)

CAPEX
10.8 B$
FASE A&B CAPEX

FINANCING
6,600 M$

GATE CLOSES 40 MINUTES BEFORE DEPARTURE — HAVE A NICE TRIP!

IMPROVEMENTS

CAPACITY
8m to 23m pax

SIZE x3

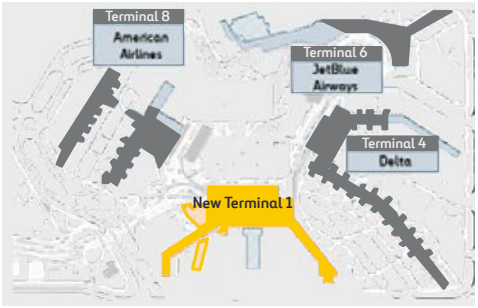
COMMERCIAL SPACE x4

THE PROJECT

The **NEW TERMINAL 1** will take over the space of the current terminals **1 and 2** and the former terminal **3**.

A new and sustainable building, it will offer an enhanced experience for airlines and users. The Terminal will be built in phases, with **A** being delivered in **2026, B1** in **2028** and **B2** in **2030**.

It will have public spaces with natural lighting, restaurants, shopping, lounge areas and recreational activities.



THE CONSORTIUM

PORT AUTHORITY NY NJ
AIR LAND RAIL SEA

THE NEW TERMINAL ONE
JFK INTERNATIONAL AIRPORT

51% ferrovial 96%
CARLYLE 4%

30% JLC MIF Loop Capital Partners

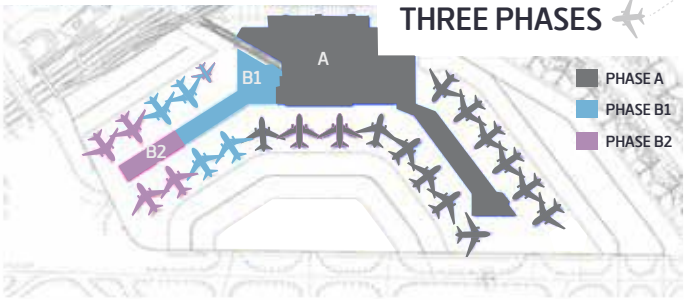
19% Ullico

SCHEDULE



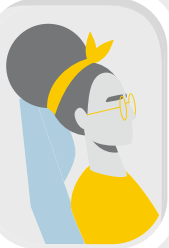
- **2022** — Design and build contract. Commencement of the concession, approval of project start and commencement of construction
- **2023** — Relocation of Terminal 2 to NTO
- **2026** — Opening of phase A
- **2028** — Opening of phase B1
- **2030** — Opening of phase B2
- **2060** — End of concesion

THREE PHASES



A: 14 gates
B1: 5 gates
B2: 4 gates

THE 4 KEYS



1. Premium destination: main international traffic gateway for the USA
2. Strong demand and growth in international traffic
3. Increased capacity for broad-body aircraft
4. Market-based pricing for air fares

AIRPORTS

Designing the transportation of the future

Ferrovial Airports integrates all airport management activities and is one of the world's leading private airport operators.

Ferrovial operates a portfolio of 4 airports in the United Kingdom: a 25% stake in Heathrow, Europe's busiest hub, and 50% ownership in Glasgow, Aberdeen, and Southampton.

In 2022 Ferrovial Airports joined, with 49% stake, the partnership to design, construct and operate the New Terminal One at New York's John F. Kennedy International Airport in the United States. In July 2022, Ferrovial Airports acquired a 60% stake in the company that manages the Dalaman International Airport concession in Türkiye.

ASSETS

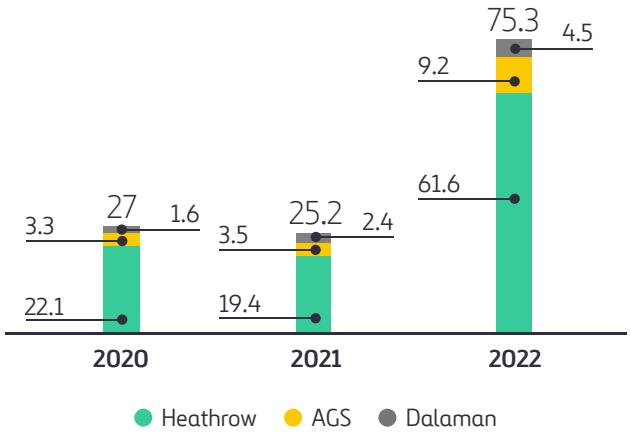
Heathrow and AGS

Heathrow and AGS traffic experienced a strong recovery through the year, as the aviation sector has recovered from the impact of the pandemic and the end of all UK travel restrictions.

61.6 million passengers travelled through Heathrow in 2022 (just over 76% of 2019 levels). The increase in passenger numbers is higher than any other airport in Europe, recording the busiest summer out of any European hub airport. As a result of the ramp up plan, Heathrow had all operations open before the summer peak. The temporary departing passenger cap (100,000 departing pax/day), put in place in July to improve passenger journeys, was removed at the end of October without compromising service.

AGS has also experienced a recovery in traffic with 9.2 million passengers in the year (just over 67% of 2019 levels), thanks to the removal of travel restrictions from April onwards. Glasgow was the airport with the strongest recovery, founded on a strong leisure market.

TRAFFIC (MILLION PAX)



New Terminal One (NTO) at JFK

The NTO Project will be completed in phases to match traffic demand. The initial development phase related to the initial financing (Phase A) provides replacement capacity for the existing Terminal 1, which will be demolished, and for other airlines expected to be displaced by the reconfiguration and demolition of other JFK terminals, in line with the Port Authority of New York New Jersey ("PANYNJ") JFK master plan. Phase A construction started in June 2022 and will be extended until 2026.

Dalaman

The airport located on the Turkish Riviera Dalaman area, an important holiday spot for both domestic and international passengers, has been recovering traffic during 2022 as travel restrictions were lifted. 4.5 million passengers travelled through Dalaman in 2022 (just over 92% of 2019 levels). The airport has seen a decrease in Russian and Ukrainian passengers, but the impact is limited and partly offset by higher traffic from European destinations, especially the UK.

New Terminal One at JFK Airport (New York, USA)

Ferrovial Airports has joined the consortium that will build, operate and maintain JFK's New Terminal One. With a planned investment by Ferrovial of 1.14 billion euros, the concession is for 38 years.

NTO investment fits perfectly with Ferrovial's Horizon 24 strategy:

- Premium destination: US largest international gateway.
- Strong demand for international traffic growth. 21% of traffic in 2026 committed.
- Heavily constrained airport in terms of Wide Body Gates capacity.
- Unregulated aeronautical charges.

VERTIPORTS

Ferrovial Vertiports mission is to successfully site, develop, build, and operate a series of agnostic vertiport networks capable of accommodating various vertical take-off and landing aircraft, operators, and business models to meet market demands.

With a focus on the US and European markets, discussions with various OEM's (Original Equipment Manufacturer), operators, and airlines in key markets identified utilizing Urban Mobility Demand Model are advancing.



Vertiports Project.

The Ferrovial Vertiports' business ethos is grounded in five pillars:

- Building and operating a series of agnostic vertiport networks in targeted markets that can accommodate various electric vertical takeoff and landing aircraft types (eVTOLs), various operators, and various operating models in key "demand-driven" markets.
- Partnering with eVTOLs operators and airlines in the identification, developing, leasing and operating of sites.
- Collaborating with local, state, and federal authorities to ensure a safe operating environment and a seamless integration of the vertiports into the fabric of the communities in which they are designed to serve.
- Enabling an efficient, innovative, safe and sustainable way of advanced air mobility that quickly and seamlessly moves people to, thru, and between cities.
- Creating real value for shareholders, operators, partners, customers and communities.

VALUE CREATION

Sustainability

Ferrovial Airports continues to maintain its commitment to sustainability matters in 2022. The decarbonization of the aviation sector continues to be a priority in sustainable growth plans, in which the use of sustainable fuels (SAF) is a critical factor.

In 2022, Heathrow has reaffirmed its commitment to sustainability by updating its sustainability strategy, Heathrow 2.0. It is focused on generating a sustainable workplace and being an ally for the surrounding community. It also commits to a "net zero emissions" plan, involving its partners in the "Napkin" project, which seeks to develop hydrogen-based solutions to decarbonize future aviation.

AGS continues with its roadmap in its transition to achieve "net zero emissions" by the mid-2030s. In 2022 it signed an agreement with ZeroAvia to study hydrogen production opportunities internally, as well as to explore its use on trade routes.

Likewise, it continues to develop the plan to create the largest solar in Scotland, providing 55% of the energy to Glasgow airport. Additionally, AGS has formed a consortium to explore the joint use of wind panels and sound barriers, which could produce carbon-neutral energy from the ground and low-level wind with limited sound.

Innovation

The main innovation projects developed by Ferrovial Airports in 2022 include:

- The development of a research project together with Heathrow on sustainable propulsion modes for aviation and their implications for airport infrastructure. The use of sustainable fuels (SAF), batteries and hydrogen will bring the aviation sector to the goal of net zero emissions by 2050.
- New functionalities for the digital channels of Aberdeen, Glasgow and Southampton that facilitate passenger interaction and improve the digital experience. In particular, the incorporation of native payments has contributed to a substantial increase in participation and revenue.

Awards

Heathrow:

- Wildlife Trust's Biodiversity Benchmark Award for the 14th year running, recognizing the continued commitment to biodiversity and nature
- Business Traveler Awards 2022
  - Heathrow ranked 2nd as Best Airport in the World
  - Best Airport in Europe
  - Best Airport for Tax-Free Shopping
- FRONTIER Awards 2022: Airport of the Year

AGS:

- Scottish Transport Awards 2022: Excellence in Technology and Innovation for Project CAELUS
- Global Real Estate Sustainability Benchmark (GRESB) 2022. AGS Airports named sector leader: Glasgow second while Southampton and Aberdeen rated third and fifth respectively
- British Safety Council 2022: First airport group in the UK to achieve Five Stars for all three of its airports

Acquisition of 60% of Dalaman Airport

Dalaman Airport is located on the Turkish Riviera, one of the most attractive tourist areas in the country and the Mediterranean. In 2019, it handled 5 million passengers, most of them international. This figure represents a 78% increase since 2006, and it ranks fourth in Türkiye in terms of international passenger number. The airport has capacity for over 20 million passengers per year.

The concession period runs until 2042 and the agreement included the construction of a new international terminal that came into service in 2018. Fees per passenger are set and collected in euro, with the result that the bulk of the airport's revenues are in that currency.



New Terminal One project, JFK Airport, New York, United States.

ENERGY INFRASTRUCTURE AND MOBILITY

Commitment to the sustainable economy

Last year Ferrovial decided to explore sustainable business opportunities, creating the Energy Infrastructure and Mobility division. In this second period, it is already developing projects in both areas, while managing circular economy activities in the United Kingdom and services in Chile and Spain. It represents a firm commitment to the transition economy.

Ferrovial is not limited to the management and development of its traditional businesses; it is always interested in the search for ways to respond to new social needs. Projects and opportunities that provide differential value based on the company's experience and background, and that respond to the changing habits of urban society. Energy, mobility and the circular economy are evidence of this commitment and this effort.

ACTIVITIES

Chile and Spain are the two main markets for Energy Infrastructure. Ferrovial has one transmission line already operational in Chile, which was acquired in 2016, and another under construction, the Centella project. In Spain, it has a 50 MWp photovoltaic plant under construction, located in Seville, as well as a portfolio of generation projects in their early stages of development exceeding 2-3 GW.

Zity is the main asset in Mobility. It is an electric carsharing company, already operating in Madrid, Paris, Lyon and Milan. The fleet consists of 1,500 vehicles, recharged with 100% renewable energy. Ferrovial has a 50% stake in this project developed jointly with Renault.

In Mobility, the minority stake in Inspiration Mobility is another project for the future. This North American company invests in the electric vehicle sector, both in cars and associated charging infrastructures.

The Circular Economy remains another important area of the division's activity. It has four municipal solid waste (MSW) treatment centers, located in Yorkshire, Milton Keynes, Cambridge and Isle of Wight. Each of them is associated with a concession contract with different local authorities. Together they have a capacity to treat some 800,000 tons per year. This business comes from its former Services division, as do those in Chile and Spain. In the Andean country, its activity continues to focus on providing services to large-scale copper mining, such as maintenance, hoisting or management of the electrical loop. In Spain, it retains a 24.7% stake in Serveo, a company focused on providing auxiliary services to public and private clients.

Monitoring, Analysis and Control Center

During 2022 Ferrovial Energy Infrastructures and Mobility and the innovation teams of the Sustainability and Energy Center of Excellence have launched the Monitoring and Control Center, which encompasses the operation and maintenance (O&M) activities related to electricity generation assets and transmission lines.

The Control Center will be called CMAC (Monitoring, Analysis and Control Center) and will concentrate the functions of real-time operation, parameter analysis and incident notification of Ferrovial's existing and future energy assets, enabling the monitoring of the electricity systems of the markets in which the company operates. In addition to generation facilities, it will also monitor the operation of other electrical assets such as transmission lines.

The integration of generation and transmission assets in the CMAC has multiple benefits, among others:

Tracking the real-time performance of the assets, ensuring their integrity.

Improve their availability and efficiency and, consequently, their profitability.

Guarantee safe and optimal operation, reducing risks and O&M costs thanks to remote assistance and resource optimization.

Early detection of incidents, optimizing maintenance interventions.

Improve the technical specifications of new assets and propose future applications of AI and machine learning techniques based on the analysis of current operating parameters.

RENEWABLE ENERGY GENERATION
50
MWp under construction

TRANSMISSION LINES
456
Kilometers in construction and operation

ZITY
1,500
100% electric vehicles

CIRCULAR ECONOMY
800,000
annual tons of MSW managed



Transchile power transmission line, Chile.

STRATEGY

Ferrovial is positioned as a preferred industrial partner, providing value in the development, financing, construction, operation and rotation of assets. Based on its experience, it plans to take advantage of business opportunities while maintaining a balance between risk and profit. The division is an active part of the company's ESG strategy, focused on the fight against climate change and the decarbonization of the economy, always in line with the Horizon 24 Strategic Plan.

In a sector subject to constant change, the company intends to use, together with its own resources, its participation in industrial ecosystems, developing and investing in technologies that enable growth in profitable businesses. The activity will focus on Ferrovial's preferred geographies, especially the United States, Spain, Chile and Poland.

POTENTIAL BUSINESS DEVELOPMENTS

The future of energy infrastructure and mobility depends largely on five rapidly evolving trends:

- The need and willingness to have a greater degree of energy autonomy at the regional, national and supranational levels.
- National, regional and local regulation on economic incentives or disincentives to CO_2 production, use of public spaces, regulation of planning and rights to energy assets, etc.
- Social changes driven by growing awareness of climate change and the trend towards individual preferences for more personalized services. This phenomenon has been accelerated by the COVID-19 pandemic.
- Variations in asset costs due to technological advancement that have been altered by rising inflation, shortages of certain components and logistical stresses.
- New products, services and business models driven by technological and process innovation.

Despite the uncertainty of the evolution of these five points, there is a certainty of further electrification and a different concept of personal mobility, especially in cities.

ENERGY INFRASTRUCTURE AND MOBILITY

Yellow Energy

Decarbonizing the economy, tackling climate change and addressing the energy transition are key to sustainability and society. Ferrovial wants to contribute by committing to renewable energy. To this end, it has created the Energy Infrastructure business unit, within FEIM, and the Energy Solutions division, within FCo, to address the promotion and construction of new projects. Its approach will cover the complete cycle: promotion, financing, construction and operation. Horizon 24 sets the standard.

ferrovial

PROJECTS

GENERATION TRANSMISSION AND DISTRIBUTION ENERGY EFFICIENCY

ferrovial energy infrastructure

- Promotion of greenfield projects with a focus on approach to technological independence.
- Development of renewable generation, storage and storage and transmission infrastructures.

Berrocal
Solar photovoltaic plant of 50 MWp.
GENERATION

Centella
220 kV double-circuit transmission line. 256 km in length. New disconnecting substation.
TRANSMISSION AND DISTRIBUTION

Transchile
220 kV double-circuit transmission line. 204 km long.
TRANSMISSION AND DISTRIBUTION

Tap Mauro
Two 220 kV double circuit transmission lines. 3 km long each.
TRANSMISSION AND DISTRIBUTION

ferrovial energy solutions

- Engineering and construction of generation, transmission and distribution plants, as well as energy efficiency services.
- Turnkey projects.
- Complete energy cycle, acting in Renewable Energy Generation, Transmission and Distribution, and Energy Efficiency.

Ferrovial
Turnkey project, EPC. Solar Photovoltaic Plant El Berrocal. 50 MWp.
GENERATION

Canal Isabel II
Turnkey project, EPC. Floating Solar Photovoltaic Plant 1.7 MWp.
GENERATION

Ibereólica
Turnkey construction of a 33/220 kV substation. Elena Solar Photovoltaic Plant.
TRANSMISSION AND DISTRIBUTION

PRADAMAP
Turnkey construction of a 30/220 kV booster substation. Pinta y Guindalera wind farm.
TRANSMISSION AND DISTRIBUTION

Seville Conference and Exhibition Centre
Building energy management.
ENERGY EFFICIENCY

Torrejón de Ardoz City Council
Energy management of public lighting and municipal buildings.
ENERGY EFFICIENCY

X-Elio
Turnkey project, EPC. Liberty Photovoltaic Plant. 70 MWp. Texas.
GENERATION

Repsol / Ibereólica
Turnkey construction of a 33/220 kV booster substation. Atacama wind farm.
TRANSMISSION AND DISTRIBUTION

Enel
Turnkey construction of a 30/132 kV booster substation. Photovoltaic Solar Plant La Revuelta.
TRANSMISSION AND DISTRIBUTION

Enel
Turnkey construction of a 30/132 kV booster substation. Photovoltaic Solar Plant Aljarafe.
TRANSMISSION AND DISTRIBUTION

Madrid City Council
Maintenance of street lighting.
ENERGY EFFICIENCY

Madrid Health Service
Energy management of the Príncipe de Asturias Hospital.
ENERGY EFFICIENCY

Iberdrola
Turnkey construction of a 30/132 kV booster substation. Buniel wind farm.
TRANSMISSION AND DISTRIBUTION

DH Ecoenergías
Construction of the network and thermal power plant of the District Heating of Ávila.
ENERGY EFFICIENCY

Vitoria City Council
Energy management heating and cooling of municipal buildings.
ENERGY EFFICIENCY





Solar photovoltaic plant “El Berrocal Solar PV”, Seville, Spain.

CONSTRUCTION

Operational excellence and innovation

Ferrovial Construction is the business unit that carries out the construction of civil works, building, water treatment plants, industrial works and energy transition projects. It continues its commitment to developing sustainable, innovative and efficient solutions.

The Construction division is critical in the achievement of the business strategy set out in the Horizon 24 Plan, with a firm commitment to sustainable infrastructures that have a positive impact on the environment and communities. As evidence of this, in 2022 initiatives have been carried out for the decarbonization of the energy mix, such as the development of wind and photovoltaic farms, or the award of five new water treatment and purification plants.

BACKGROUND

Despite the current difficult situation marked by inflationary and supply chain tensions, and influenced by the war in Ukraine, during 2022 Ferrovial Construction has increased its turnover and maintained its profitability at positive levels thanks to the mitigation and management measures adopted to control the effects of inflation, supported by price review formulas implemented by public administrations in countries such as Spain, Poland and Portugal.

Looking to the future, the selective criteria in the bidding process for geographies and projects will be maintained, which include specific contingencies for inflation, focusing on new, more collaborative contracting models such as the award of the Project Management Office of the New Terminal One of JFK Airport in New York, in which the division will supervise its construction.

The outlook remains favorable, with the portfolio at record highs, following major awards such as the Design-Build-Finance of the Ontario Line of the Toronto Subway, and with a solid pipeline of projects in the main markets (USA, Poland and Spain), where strong investments are planned not only in transport infrastructure but also in water, electricity transmission or energy efficiency projects derived from plans such as the NextGen funds in Europe or the Infrastructure Investment & Jobs Act in the US.

In particular, it is worth mentioning Poland, the new allocation of European funds 2021-27 and its national road and rail investment plans until 2025-26, which guarantee the future stability of investment in the country, and Texas (USA), where the new Unified Transportation Program 2023 road plan, sets a new investment record for the Department of Transportation over the next ten years. These are geographies and markets where Budimex and Webber are leaders, respectively.

VALUE CREATION

Construction is a fundamental activity in Ferrovial's strategy. The division continues with its firm commitment to introduce initiatives in innovation and technology that minimize its environmental footprint, generate a positive impact on society and guarantee the safety of users and workers. In addition to its own profitability and cash generation capacity, it adds value by coordinating the design and construction of infrastructure concessions in which other Ferrovial investment business units participate.

Renewable energy development in Poland

In line with Ferrovial's 2030 Sustainability Strategy, Budimex, the Polish Construction subsidiary, has signed up as a clean energy developer in Poland in 2022 through the acquisition of two companies that own the rights to develop, build and operate a wind power complex in Gniezno and a photovoltaic plant in Mszczonow.

The facilities, which have Ready-to-Build status, have a combined capacity of 21 MW, with an estimated annual production of 25,500 MWh/year for the wind plant thanks to two wind turbines with a total capacity of 7 MW, and 15,700 MWh/year for the photovoltaic farm with the installation of 25,500 modules.

Portfolio diversification and selective internationalization

Sector diversification allows the maintenance of technical qualifications, and enables Construction to have continuously prepared material and human resources teams. This is demonstrated by a number of 2022 awards, such as a new subway section of the Paris Metro, including seven kilometers of tunnels, a new Data Processing Center for Microsoft in Spain, and the new container terminal at the Port of Gdansk in Poland.

The international focus remains on the US and Poland, which account for approximately 70% of total revenues. Other countries with a stable presence include United Kingdom, Chile, Australia and Canada, in addition to Spain as the market of origin. The Coffs Harbour Bypass toll road in New South Wales (Australia) and the three new contracts awarded in North Carolina and Virginia, through the subsidiary Webber, stand out, consolidating the company's presence on the east coast of the US.

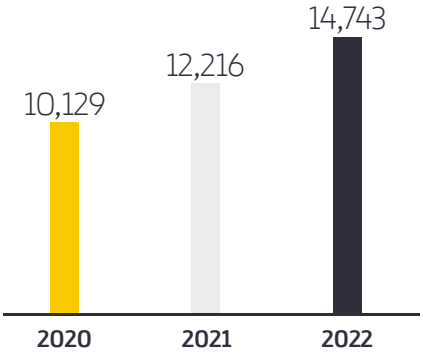
Commitment to the community: environment, quality and safety

Construction operates under strict guidelines that minimize its environmental impact. Its approach to projects includes the identification of environmental risks through individual management plans to promote the conservation of biodiversity, the efficient use of energy by increasing self-consumption, decarbonization and renewable energies, and the promotion of the circular economy through the

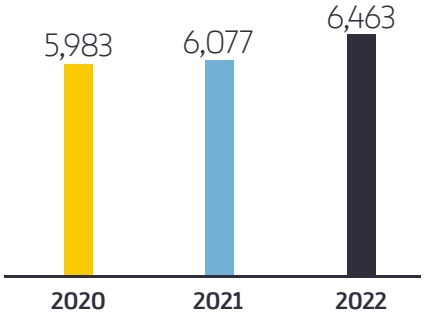


Sydney metro, Tunnel Boring Machine, Australia.

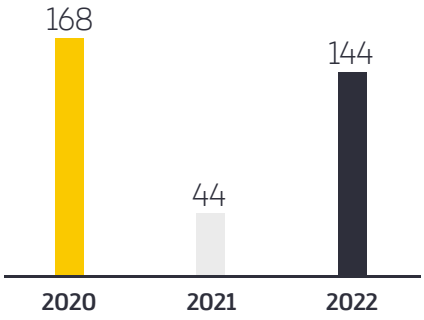
ORDER BOOK



REVENUES (M€)



OPERATING CASH FLOW*



*before tax

recovery of construction waste and the incorporation of recycled materials in construction processes. The aim is to control the carbon footprint and achieve carbon neutrality by 2050. A good example is the recently inaugurated I-66 toll road in Virginia (USA), which will significantly reduce CO_2 emissions by limiting traffic jams, and in which more than 430,000 tons of crushed concrete have been used, thus reusing construction waste, and which has also provided employment for more than 400 local companies, investing more than 13 million working hours.

Construction's commitment to the quality of its projects is evidenced by the award for best highway/bridge project granted by the specialized magazine ENR for its work on the Grand Parkway project, and the highest award in the bridges and tunnels category of the Going Digital Awards in Infrastructure for the I-35 Northeast Expansion Central project, both in Texas.

The safety of people is an essential pillar of Ferrovial Construction and putting technology at their service is key to guaranteeing it. New tools such as Guardhat and Peer Review, which equip construction helmets with cameras, microphones and fall detection systems, enable real-time monitoring of the work site and allow automatic alerts to be made to emergency teams and colleagues in the event of an accident.

Innovation as competitive positioning

Ferrovial Construction, within the framework of the Abacus Strategic Plan, continues to be committed to innovation and digital transformation. Some examples of this include the participation in the European research projects COGITO, which aims to produce a digital twin of construction operations and will be used to increase the performance and efficiency in safety, quality and cost of the work, and BIMERR, which seeks to combine innovative tools such as the generation of digital models, augmented reality and monitoring through IoT and home automation to improve the energy renovation process in residential buildings.

Talent management

The commitment to the well-being and continuous development of its employees is fundamental for Ferrovial Construction. In 2022, they have won several awards, such as prizes for five female engineers and health and safety specialists at the European Women in Construction and Engineering Awards.

Award of the largest project in Ferrovial Construction's track record

Ferrovial Construction has been awarded and financially closed the Design-Build-Finance project for the southern section of the Ontario Line of the Toronto Subway, Canada. This is the largest project contracted by the Construction business unit in its history, valued at 4,450 million euro and financed by a banking syndicate of 11 international institutions through a revolving credit facility. The initiative will link the Exhibition Ontario Place station in the city center with the Ontario Science Centre through 6 kilometers of tunnels, and includes the construction of 7 stations, 6 of them underground. It is scheduled for completion in 2030, and will allow up to 338,000 daily travels, generating more than 1,500 jobs.



Santiago de Chile metro, Chile. © José Manuel Ballester

3 Ferrovial in 2022



48 Business performance
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94 Integrity
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Ferrovial Results January - December 2022

- **407 ETR traffic showed a solid increase in 2022 vs 2021,** following the removal of all COVID-19 related restrictions by the government of the Province of Ontario in 1Q 2022, although followed by a slow economic reopening throughout the year. In addition, the 4Q traffic performance was negatively impacted by the end of some construction works in the corridor, as well as, higher seasonality impact due to the increased of work flexibility. Revenues were higher vs 2021 (+29.7%) due to increase in traffic. Avg rev/trip (CAD13.32) +1.5% vs 2021 helped by longer avg trip length (+2.4%). **407 ETR distributed CAD750mn of dividends in 2022** (EUR237mn for Ferrovial).
- **Managed Lanes registered a strong revenue growth in the year.** Higher toll rates & a higher proportion of heavy vehicles (NTE 35W) led to even stronger performance in revenues. All managed Lanes (MLs) posted double digit average revenue per transaction growth vs. 2021: I-77 +43.1%, NTE 35W +20.7%, NTE +18.8% & LBJ +11.8%.
- **Airports showed a strong traffic recovery following the removal of UK travel restrictions in March.** Heathrow welcomed 61.6mn passengers (+217.6% vs 2021), which represented the highest passenger increase of any major airport globally. Passenger numbers in December were close to 5.8mn, which was 11% below 2019 levels, the highest since the start of the pandemic. AGS showed strong traffic recovery vs 2021 (164.1%). Dalaman has been consolidated since July, the airport showed a positive trend ending the year with December traffic reaching +17.9% vs 2019.
- **Construction EBIT stood at EUR63mn** vs. EUR132mn in 2021, mainly due to the inflation impact on prices of supplies and subcontracts, partially offset by price review formula compensation and strong Budimex performance (6.3% EBIT mg). EBIT margin stood at 1.0% in 2022. The order book at-all-time high reached EUR14,743mn (+18.7% LfL), not including pre-awarded contracts of c.EUR915mn.
- **Solid financial situation:** high liquidity levels reaching EUR6,118mn and net cash position ex-infrastructure (EUR1,439mn). Cash consumption driven by investments (EUR856mn) on the back of new projects' equity injections (I-66, NTE 3C and New Terminal One) & acquisitions (I-77 additional stake & the stake acquisition of Dalaman Airport), together with the shareholder remuneration, partially offset by dividends from infra projects (EUR475mn) and a significant improvement at Operating CF in Construction.
- **Recent developments in line with Horizon 24 Strategy**:
  - I-66 Managed Lanes (Virginia, US) open to traffic (full configuration November 2022)
  - Increased stake in I-77 to 72.24%: 7.135% additional stake acquired in December 2022
  - Ferrovial has been prequalified for SR400 (Georgia, US)
  - NTE 3C (NTE35W extension) works advancing according to schedule. Opening expected for September 2023
  - Stake acquisition (49%) in New Terminal One (NTO) at JFK Airport in June 2022
  - 60% acquisition of Dalaman International Airport (Turkey) in July 2022
  - Sale of Amey completes services divestment process, the deal was closed in December 2022

REPORTED P&L

(EUR million)	DEC-22	DEC-21
REVENUES	**7,551**	**6,910**
EBITDA	**728**	**610**
Period depreciation	-299	-270
EBIT (ex disposals & impairments)	**429**	**340**
Disposals & impairments	-6	1,139
EBIT	**423**	**1,479**
FINANCIAL RESULTS	**-320**	**-335**
Equity-accounted affiliates	165	-178
EBT	**268**	**966**
Corporate income tax	-30	9
NET PROFIT FROM CONTINUING OPERATIONS	**238**	**975**
NET PROFIT FROM DISCONTINUED OPERATIONS	**64**	**361**
CONSOLIDATED NET INCOME	**302**	**1,336**
Minorities	-116	-138
NET INCOME ATTRIBUTED	**186**	**1,198**

REVENUES

(EUR million)	DEC-22	DEC-21	VAR.	LfL
Toll Roads	780	588	32.6%	22.4%
Airports	54	2	n.s.	n.s.
Construction	6,463	6,077	6.3%	2.2%
Energy Infrastructure & Mobility	296	252	17.6%	18.0%
Others	-42	-9	n.s.	n.s.
Total Revenues	**7,551**	**6,910**	**9.3%**	**4.2%**

EBITDA

(EUR million)	DEC-22	DEC-21	VAR.	LfL
Toll Roads	550	415	32.5%	21.6%
Airports	-2	-26	92.3%	-41.0%
Construction	176	245	-28.2%	-27.8%
Energy Infrastructure & Mobility	13	-13	200.0%	224.6%
Others	-9	-11	18.2%	50.8%
Total EBITDA	**728**	**610**	**19.3%**	**7.7%**

EBIT (before impairments and disposals of fixed assets)

(EUR million)	DEC-22	DEC-21	VAR.	LfL
Toll Roads	390	275	42.3%	25.0%
Airports	-9	-26	65.4%	-40.9%
Construction	63	132	-52.5%	-50.5%
Energy Infrastructure & Mobility	1	-24	104.2%	104.7%
Others	-16	-17	5.9%	25.4%
Total EBIT	**429**	**340**	**26.2%**	**8.3%**

PROPORTIONAL EBITDA (Like-for-like figures)

(EUR million)	DEC-22	DEC-21	VAR.
Toll Roads	870	630	38.1%
Airports	500	91	n.s.
Construction	116	155	-25.4%
Energy Infrastructure & Mobility	31	-1	n.s.
Others	-6	-14	56.6%
Total EBITDA	**1,511**	**863**	**75.2%**

NET CASH POSITION (NCP)

(EUR million)	DEC-22	DEC-21
NCP ex-infrastructures projects	**1,439**	**2,182**
NCP infrastructures projects	**-7,219**	**-6,633**
Toll roads	-6,852	-6,439
Others	-367	-195
Total Net Cash /(Debt) Position	**-5,781**	**-4,451**

TRAFFIC PERFORMANCE

	vs 2021	vs 2019
407 ETR (VKT)	30.5%	-19.3%
NTE*	9.2%	7.1%
LBJ*	7.3%	-17.7%
NTE 35W*	-2.2%	6.3%
I-77*	18.7%	n.s.
Heathrow	217.6%	-23.8%
AGS	164.1%	-32.5%
Dalaman	95.3%	-7.5%

*Transactions

CONSOLIDATED RESULTS

- **Revenues** at EUR7,551mn (+4.2% LfL) on the back of higher Construction revenues (+2.2% LfL) and Toll Roads (+22.4% LfL).
- **EBITDA** reached EUR728mn (+7.7% LfL) supported by a higher contribution from Toll Roads (21.6% LfL), particularly US Toll Roads with an EBITDA of EUR498mn.

RESULTS BY DIVISION

Toll roads: revenues increased by +22.4% LfL and EBITDA by +21.6% LfL. EBITDA stood at EUR550mn.

- **Texas Managed Lanes:** NTE +9.2% and LBJ +7.3% showed traffic growth in 2022 vs. 2021, while NTE 35W traffic decreased by -2.2% vs 2021, impacted by the construction works of NTE3C. NTE & NTE35W traffic was above pre-pandemic levels (2019), and LBJ traffic is still below, mainly due to the construction works developed in the area. All MLs posted double digit average revenue per transaction growth vs. 2021: NTE 35W +20.7%, NTE +18.8% & LBJ +11.8%.
  - **NTE**: reported revenues of USD243mn (+29.6%), helped by higher traffic and higher toll rates. EBITDA reached USD213mn (+30.4%). EBITDA margin of 87.9% (vs 87.4% in 2021).
  - **NTE 35W**: reached revenues of USD168mn (+18.2%), led by higher toll rates and more heavy traffic weight. EBITDA reached USD139mn (+16.4%) with 82.6% EBITDA mg (83.9% in 2021).
  - **LBJ**: revenues at USD159mn (+20.0%), helped by higher traffic and higher toll rates. EBITDA at USD128mn (+24.8%) with 80.1% EBITDA mg (77.0% in 2021).
- **I-77 Managed Lanes** traffic increased by +18.7% vs 2021, showing a strong recovery after traffic had been impacted by Omicron spike in 1Q and some adverse weather events during the year. Revenues reached USD61mn (+66.6% vs. 2021) with significant growth in revenue per transaction terms (+43.1% vs 2021). EBITDA stood at USD38mn with 62.9% of EBITDA mg (54.9% in 2021).
- **407 ETR** showed a solid traffic increase in 2022 (+30.5% vs 2021), after the removal of all COVID-19 related restrictions by the government of the Province of Ontario in 1Q 2022, although a slow economic reopening followed throughout the year. In addition, the 4Q traffic performance was negatively impacted by the end of some construction works in the corridor, as well as, higher seasonality impact due to the increase of work flexibility. Revenues reached CAD1,327mn increasing by +29.7% given the steady recovery in traffic volumes when restrictions eased. EBITDA reached CAD1,139mn (+32.6%) with 85.8% EBITDA mg.

Airports: traffic has shown a solid improvement in 2022 vs 2021, although pre-COVID levels have not been reached yet (Heathrow -23.8%, AGS -32.5% and Dalaman -7.5%, vs 2019):

- **Heathrow** revenues increased by +140.0% and adjusted EBITDA reached GBP1,684mn, vs GBP384mn in 2021. Heathrow welcomed 61.6mn passengers in 2022 (19.4mn passengers in 2021), increasing 42.2mn vs 2021 (+217.6%), which represented the highest passenger increase of any major airport globally. Passenger numbers in December were close to 5.8mn, which was 11% below 2019 levels, the highest since the start of COVID-19.
- **AGS** revenues increased by +92.4% vs 2021 driven by higher traffic in all airports (+164.1% vs 2021). EBITDA stood at GBP47mn in 2022 vs -GBP6mn in 2021.
- **Dalaman** revenues reached EUR44mn driven by the positive performance in traffic. EBITDA stood at EUR35mn with EBITDA margin at 79.0%. Traffic numbers reached 4.5mn passengers (2.3mn in 2021) driven by higher traffic from the UK (46% of the traffic). Passenger numbers in December increased by +17.9% vs December 2019, the highest since the start of the pandemic.

Construction: revenues were up by +2.2% LfL. EBIT reached EUR63mn vs. EUR132mn in 2021, mainly due to the inflation impact on prices of supplies and subcontracts. EBIT margin reached 1.0% in 2022. The order book reached EUR14,743mn (18.7% LfL), an all time high, not including pre-awarded contracts of c.EUR915mn,mainly from contracts at Budimex (EUR790mn) and Webber (EUR125mn).

DIVIDENDS FROM PROJECTS

Total dividends received from projects reached EUR475mn in 2022 (vs EUR550mn in 2021) including as main distributions:

- **407 ETR**: Ferrovial received EUR237mn of dividends in 2022 (EUR164mn in 2021).
- **Texas Managed Lanes**: EUR123mn were received by Ferrovial from NTE (EUR92mn) and LBJ (EUR31mn), vs. EUR220mn in 2021 that included extraordinary dividends from LBJ following the issuance of a senior secured note.
- **Other toll roads**: EUR28mn in 2022 (EUR85mn in 2021) mainly coming from Spanish toll roads (EUR12mn), Australian toll roads (EUR4mn), EUR3mn from the Irish toll roads, along with EUR2mn from IRB. The 2021 dividends included EUR73mn of the compensation received from the Madrid Regional Government in relation to the administrative proceeding of M-203 legal dispute.
- **Heathrow**: no dividends were distributed in 2022 and 2021.

CORPORATE TRANSACTIONS

INVESTMENTS

- **In June, Ferrovial entered into an agreement to acquire a stake in New Terminal One (NTO) at JFK International Airport in New York,** the consortium appointed to design, build and operate the NTO (which includes replacing Terminals 1 and 2 and former Terminal 3 of this airport). Ferrovial holds a 49% indirect ownership interest in the project, becoming the consortium's lead sponsor. Ferrovial's investment would amount to USD1.14bn which will be contributed during the construction period of Phase A (2026). Construction will proceed in phases, with the first phase expected to be completed in 2026. The design and build will be carried out by Aecom Tishman.
- **In July, Ferrovial completed the acquisition of 60% of Dalaman International Airport (Turkey) from YDA Group for EUR146mn, out of which EUR119mn had already been paid by Ferrovial.** The concession agreement lasts until 2042 and fees per passenger are set and collected in euro.
- **In December, Ferrovial, through subsidiary Cintra, agreed to acquire an additional 7.135% stake in the I-77 Managed Lanes, from Aberdeen.** The deal, worth EUR104mn (USD109mn), raises Ferrovial's stake in I-77 to 72.24%. The other shareholder, John Laing also increased its participation by 7.135%, reaching 24.58%, while Aberdeen maintained a 3.18% stake.

DIVESTMENTS

- **Divestment of Infrastructure Services business in Spain for EUR175mn.** In January 2022, Ferrovial completed the sale of infrastructure Services business in Spain to Portobello Capital. Ferrovial acquired 24.99% of the leveraged entity created post-acquisition for a price of EUR17mn.
- **Divestment of Algarve Toll Road.** In August 2022, Ferrovial received EUR23mn following the sale completion to DIF Capital Partners agreed in 2020. The sale agreement included the divestment of 49% stake in Norte Litoral and 48% stake in Via do Infante (Algarve). As part of the agreement Cintra will hold a management contract for both assets. Norte Litoral divestment was already completed in 2021.
- **In December 2022, Ferrovial, through Cintra, sold 15% of Ausol in Spain, to French infrastructure fund Meridiam for EUR111mn.** The sale is the result of Cintra exercising the put option it has held since selling 65% of the Ausol I and Ausol II toll roads to Meridiam in 2019. The divestment produced a capital gain of EUR473mn that was booked in 2019, no additional accounting effect has been included in the 2022 income statement.
- **Divestment of Amey for c.GBP265mn.** In December 2022, Ferrovial sold Amey to One Equity Partners and Buckthorn Partners. The net consideration (equity value) that Ferrovial receives amounts to c.GBP264.6mn (EUR301.3mn), and remains subject to adjustment in accordance to a customary completion accounts mechanism. The consideration was paid partly in cash in an amount of EUR132mn; the remaining portion will be paid through a vendor loan note of c.GBP151.8mn (EUR172.8mn), issued at completion and repayable over the next 5 years with an interest rate of 6% per year (increasing to 8% after year 3). The capital gain from the divestment reached EUR58mn in 2022.

FINANCIAL POSITION

In 2022, the net cash ex-infrastructure projects reached EUR1,439mn vs EUR2,182mn in December 2021. Net debt of infrastructure projects reached EUR7,219mn (EUR6,633mn in December 2021). Net consolidated debt reached EUR5,781mn (EUR4,451mn in December 2021).

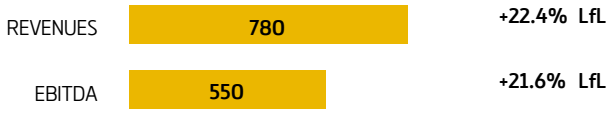
SUSTAINABILITY HIGHLIGHTS

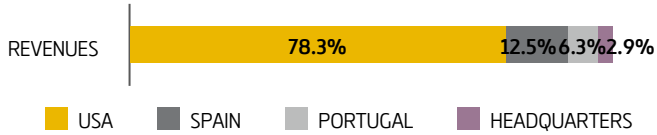
Sustainability remains at the core of our strategy. In 2022:

- **Ferrovial became the 1st infrastructure company to receive the Good Corporate Governance Index** (GCGI) certification by Aenor.
- On October 25th, 2022, the Board of Directors approved a revision of **Ferrovial's Human Rights Policy** that is in line with the requirements of Ferrovial's stakeholders, including aspects such as forms of modern slavery, pay gap inequality, respect for the indigenous communities or the right to digital disconnection.
- During 2022 **Ferrovial has reinforced its positioning in all main sustainability indices:** Dow Jones Sustainability Index (DJSI), FTSE4Good, Carbon Disclosure Project (A for Climate Change & A for Water Security), MSCI (A), VIGEO (Euronext-Vigeo Europe 120), STOXX, ISS ESG Prime, GRESB (A).
- **Heathrow's focus remains to champion the role of sustainable aviation fuel (SAF).** Heathrow's 2022 landing charges included a new financial incentive to help make SAF more affordable for airlines. The 2022 scheme was fully subscribed and designed to ensure that at least 0.5% of total aviation fuel delivered at Heathrow in 2022 was SAF. Airlines took part in a consultation regarding 2023 aeronautical charges and it was agreed that a 1.5% target incentive is to be implemented for 2023, with plans to rise steadily each year.
- Ferrovial submitted **the Climate Strategy and GHG Emissions Reduction Plan** to the vote of the 2022 General Shareholders' Meeting. Both were approved with more than 92.5% of votes in favor.



Toll Roads





407 ETR (43.23%, equity-accounted)

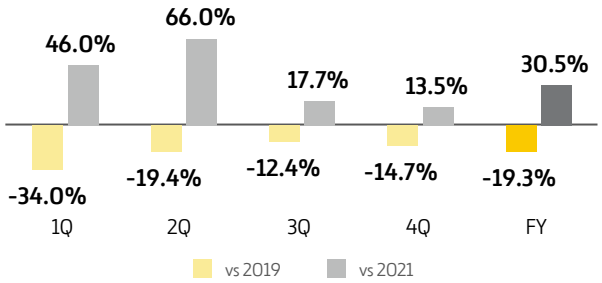
TRAFFIC

	DEC-22	DEC-21	VAR.
Avg trip length (km)	22.55	22.02	2.4%
Traffic/trips (mn)	98.11	77.02	27.4%
VKTs (mn)	2,213	1,696	30.5%
Avg Revenue per trip (CAD)	13.32	13.12	1.5%

VKT (Vehicle kilometers travelled)

In 2022, VKTs increased by +30.5% vs 2021, after the removal of all COVID-19 related restrictions by the government of the Province of Ontario in 1Q 2022, although a slow economic reopening followed throughout the year. In addition, the 4Q traffic performance was negatively impacted by the end of some construction works in the corridor, as well as, higher seasonality impact due to the increase of work flexibility, as well as, the calendar effect (-0.4%).

Quarterly traffic performance vs 2019 & 2021



P&L

(CAD million)	DEC-22	DEC-21	VAR.
Revenues	1,327	1,023	29.7%
EBITDA	1,139	859	32.6%
EBITDA margin	85.8%	84.0%	
EBIT	1,039	757	37.3%
EBIT margin	78.3%	74.0%	

Revenues were up by +29.7% in 2022, reaching CAD1,327mn.

- **Toll revenues** (91.1% of total): +29.5% to CAD1,210mn, due to higher traffic volumes compared to 2021, resulting from the removal of all COVID-19 pandemic-related restrictions. Average revenue per trip increased +1.5% vs. 2021.
- **Fee revenues** (8.4% of total): +25.1% to CAD112mn, on the back of higher traffic.
- **Contract revenues** (0.5% of total) related to the reconfiguration of the road-side tolling technology in connection with the de-tolling of Highways 412 and 418, amounting to CAD6mn in 2022.

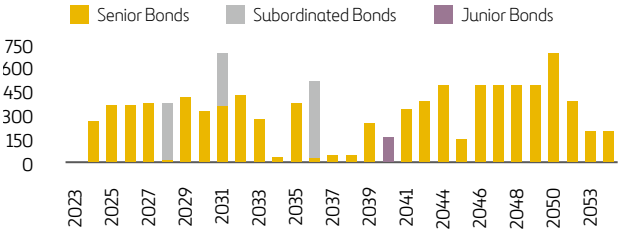
OPEX (+14.8%) was higher in 2022, mainly on the back of higher traffic in the toll road. The main changes in the opex were higher customer operations costs resulting from a higher provision for lifetime expected credit loss, higher billing costs and collection costs, coupled with higher general and administration expenses and higher operations expenses. This was offset by lower system operations expenses resulting from lower consulting and licensing costs, mainly related to the Company's enterprise resource planning and customer relationship management project due to higher capitalization of costs in 2022.

EBITDA +32.6%, as a result of higher traffic volumes. EBITDA margin was 85.8% vs 84.0% in 2021.

Dividends: In 2022, dividends paid to shareholders amounted to CAD750mn compared to CAD600mn in 2021. The dividends distributed to Ferrovial were EUR237mn in 2022 (EUR164mn in 2021).

Net debt at end of December: CAD9,050mn (average cost of 4.05%). 51% of debt matures in more than 15 years' time. Upcoming bond maturity dates are CAD21mn in 2023, CAD272mn in 2024 and CAD373mn in 2025.

407 ETR bond maturity profile



407 ETR credit rating

- **S&P:** "A" (Senior Debt), "A-" (Junior Debt) & "BBB" (Subordinated Debt), with stable outlook, issued on February 24th, 2022.
- **DBRS:** "A" (Senior Debt), "A low" (Junior Debt) and "BBB" (Subordinated Debt), all trends with stable outlook, issued on December 21st, 2022.

407 ETR Toll Rates

Toll rates remain unchanged since February 2020.

Schedule 22

The COVID-19 pandemic is considered a Force Majeure event under the provisions of the Concession and Ground Lease Agreement, and therefore the 407ETR is not subject to Schedule 22 payments for 2020 and until the end of the Force Majeure event.

The 407ETR and the Province agreed that the Force Majeure event terminates when traffic in 407 ETR and adjacent roads reach pre-pandemic levels (measured as the average of 2017 to 2019), or when there is an increase in toll rates or user charges.

Upon the termination of the Force Majeure event, the 407ETR will be subject to a Schedule 22 payment, if applicable, commencing the subsequent year.

TEXAS MANAGED LANES (USA)

In 2022, the traffic in NTE & LBJ continued to improve, while NTE35W traffic was impacted by the construction works of the NTE 3C. NTE & NTE35W traffic was above pre-pandemic levels (2019), although LBJ traffic is still below, mainly due to the construction works developed in the area. Traffic performance was impacted during 1Q by Omicron spike and severe weather, but it has recovered gradually since then, showing in September a strong recovery after school's opening. All MLs posted double digit avg revenue per transaction growth vs 2021 driven by toll increases, the soft cap linked to inflation and better mix of vehicles with higher exposure to heavy vehicles (NTE35W).

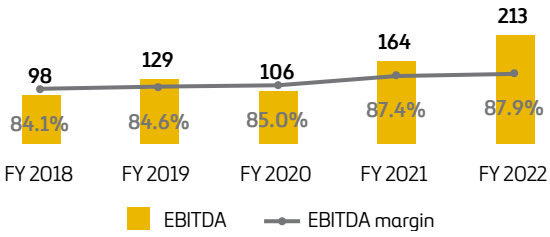
NTE 1-2 (63.0%, globally consolidated)

In 2022, traffic increased by +9.2% vs 2021. A strong recovery was seen in March after traffic had been impacted by Omicron spike and severe winter storms in January and February. During the summer, traffic was impacted by seasonality showing a strong recovery in September following schools' reopening. 4Q was impacted by the heavy rainfall in October. Additionally, NTE registered more mandatory mode events when compared to pre-pandemic levels.

(USD million)	DEC-22	DEC-21	VAR.
Transactions (mn)	36	33	9.2%
Avg. revenue per transaction (USD)	6.7	5.6	18.8%
Revenues	243	187	29.6%
EBITDA	213	164	30.4%
EBITDA margin	87.9%	87.4%	
EBIT	185	129	42.9%
EBIT margin	76.1%	69.0%	

The average **revenue per transaction** reached USD6.7 in 2022 vs. USD5.6 in 2021 (+18.8%) positively impacted by higher toll rates.

NTE EBITDA EVOLUTION



Dividends: In 2022, NTE distributed two regular dividends in June and December, for a total of USD155mn (EUR92mn FER's share). In 2021, NTE distributed USD100mn dividend (EUR53mn FER's share).

NTE net debt reached USD1,223mn in December 2022 (USD1,223mn in December 2021), at an average cost of 4.12%.

Credit rating

	PAB	Bonds
Moody's	Baa2	Baa2
FITCH	BBB	

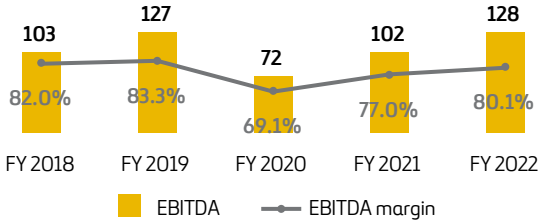
LBJ (54.6%, globally consolidated)

In 2022, traffic increased by +7.3% vs. 2021, but is still below 2019 levels. Traffic was primarily impacted by Omicron and construction works in the area, along with the bad weather early in the year and the work-from-home.

(USD million)	DEC-22	DEC-21	VAR.
Transactions (mn)	40	37	7.3%
Avg. revenue per transaction (USD)	4.0	3.6	11.8%
Revenues	159	133	20.0%
EBITDA	128	102	24.8%
EBITDA margin	80.1%	77.0%	
EBIT	101	76	33.8%
EBIT margin	63.4%	56.9%	

The **average revenue per transaction** reached USD4.0 in 2022 vs. USD3.6 in 2021 (+11.8%) positively impacted by higher toll rates.

LBJ EBITDA EVOLUTION



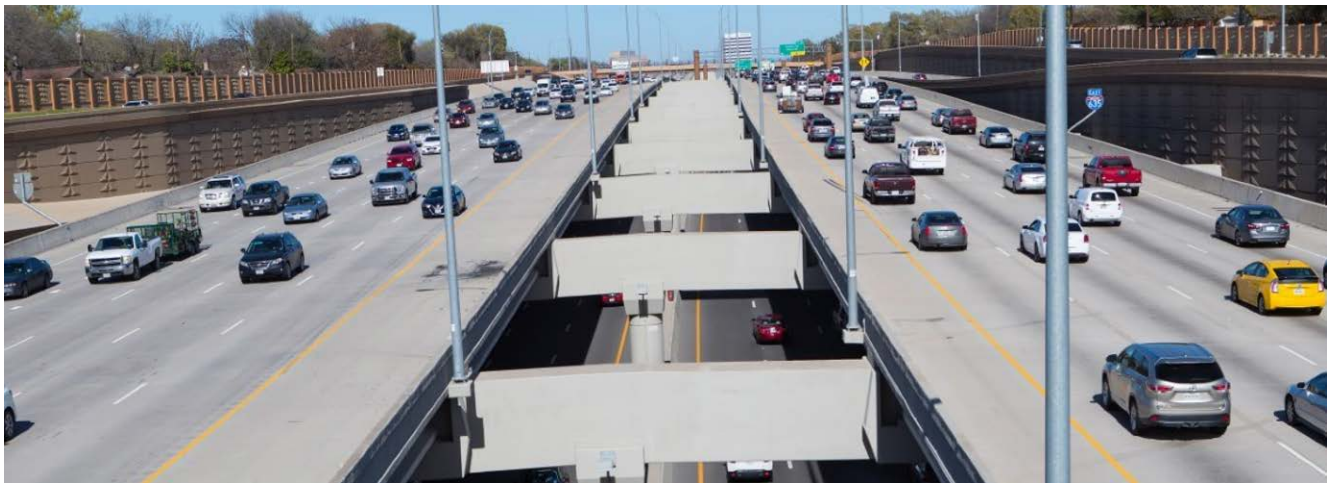
Dividends: In 2022

LBJ distributed two regular dividends in June and December, a total of USD60mn (EUR31mn FER's share). In 2021, LBJ distributed USD360mn dividends (EUR167mn FER's share) following the issuance of USD609mn secured notes in 2021.

LBJ net debt was USD2,020mn in December 2022 (USD1,998mn in December 2021), at an average cost of 4.03%.

Credit rating

	Bonds	TIFIA	Bonds
Moody's	Baa2	Baa2	
FITCH	BBB	BBB	BBB



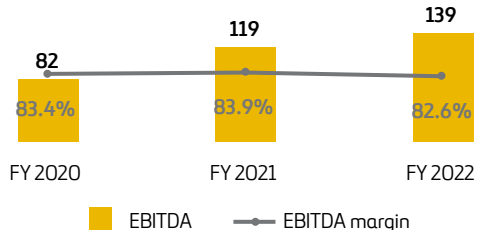
NTE 35W (53.7%, globally consolidated)

In 2022, NTE35W traffic decreased by -2.2% vs 2021, due to the impact from construction works of the NTE 3C. Although the toll road has shown higher traffic figures than pre-COVID levels (+7.1% vs 2019) given the positive effects of ramp-up & heavy vehicles resilience, partially offset by some adverse weather events during the year.

(USD million)	DEC-22	DEC-21	VAR.
Transactions (mn)	35	35	-2.2%
Avg. revenue per transaction (USD)	4.8	4.0	20.7%
Revenues	168	142	18.2%
EBITDA	139	119	16.4%
EBITDA margin	82.6%	83.9%	
EBIT	115	94	22.0%
EBIT margin	68.6%	66.5%	

Average revenue per transaction was USD4.8 in 2022, vs. USD4.0 in 2021 (+20.7%), positively impacted by higher toll rates and higher proportion of heavy vehicles.

NTE 35W EBITDA EVOLUTION



NTE 35W net debt reached USD1,233mn in December 2022 (USD1,055mn in December 2021), at an average cost of 4.84%, including NTE 3C.

Credit rating

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

I-77 (72.24%, globally consolidated)

In December 2022, Ferrovial acquired an additional 7.135% stake in I-77, from Aberdeen, for EUR104mn (USD109mn). The deal raises Ferrovial's stake in I-77 to 72.24%.

In 2022, traffic increased by +18.7% vs 2021, showing a strong recovery after traffic had been impacted by Omicron spike in 1Q. In September, traffic rebounded after summer months performance due to return to school. 4Q continued up from September's recovery with October recording the highest weekly traffic since the opening in November 2019. However, traffic was impacted in November by Hurricane Nicole and a helicopter crash that led to 24 hours of road closure.

(USD million)	DEC-22	DEC-21	VAR.
Transactions (mn)	34	28	18.7%
Avg. revenue per transaction (USD)	1.8	1.2	43.1%
Revenues	61	36	66.6%
EBITDA	38	20	90.8%
EBITDA margin	62.9%	54.9%	
EBIT	30	13	121.4%
EBIT margin	49.2%	37.0%	

The **average revenue per transaction** was USD1.8 in 2022 vs. USD1.2 in 2021 (+43.1%).

I-77 net debt was USD257mn in December 2022 (USD263mn in December 2021), at an average cost of 3.65%.

Credit rating

	PAB	TIFIA
FITCH	BBB	BBB
DBRS	BBB	BBB



IRB

(EUR million)	DEC-22	DEC-21	VAR.
Revenues	802	764	4.9%
EBITDA	427	394	8.3%
EBITDA margin	53.2%	51.6%	
EBIT	330	313	5.5%
EBIT margin	41.2%	41.0%	

IRB's financial year starts on April 1st and ends on March 31st of the next year. Full year 2022 information is built adding up the 4Q of the last year and the 9M of its new financial year. Consequently, Ferrovial's financial statements includes the company's last 12 months contribution (i.e. January to December 2022). IRB's equity contribution to Ferrovial's income statement has had a positive impact of EUR22mn.

IRB showed a solid performance with double digit traffic growth vs. 2021 in its main assets, already above pre-COVID levels: Mumbai-Pune +16.5% and Ahmedabad-Vadodara+10.9%.

In 2022, IRB was able to reach significant milestones within its financing activity following the refinancing processes achieved, such as Mumbai-Pune toll road project. In addition, IRB increased its corporate rating from A+ to AA- by India Ratings (Fitch) in 2022, which was been reaffirmed in February 2023.

ASSETS UNDER DEVELOPMENT

(EUR million)	INVESTED CAPITAL	PENDING COMMITTED CAPITAL	NET DEBT 100%	CINTRA SHARE
Global Consolidation				
Intangible Assets	**-903**	**-89**	**-2,688**	
I-66*	-857	-54	-1,536	55.7%
NTE35W**	-46	-35	-1,152	53.7%
Equity Consolidated				
Financial Assets	**-54**	**-30**	**-1,111**	
Ruta del Cacao	-54	-3	-220	30.0%
Silvertown Tunnel	0	-26	-892	22.5%

*Capital invested & committed includes the acquisition of the additional 5.704% stake (EUR162mn).
** 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 c.6.7miles. The toll road is expected to open in September 2023. The concession will end in 2061. Design and construction works are 90.3% complete as of December 31st, 2022.
- **I-66 (Virginia, USA):** the project includes the construction of 35km on I-66 (between Route 29, close to Gainesville, and Washington DC ring road, I-495, in Fairfax County). The concession is for 50 years since commercial agreement closing. In September 2022, a 9 miles section of the I-66 Managed Lanes opened to traffic, ahead of schedule. In November 2022, the full project opened to traffic ahead of schedule. Design & construction works are 98.7% complete as of December 31st, 2022. Construction is now mainly focused on deferred work items, scheduling, and conducting punch list inspections.
- **Ruta del Cacao (Colombia):** 152 km, out of which 81 km are new toll road, including the construction of 16 bridges, 2 viaducts & 2 tunnels with a combined length of 6km. This is a 25-year concession. Design and construction works 94% complete as of December 31st, 2022.
- **Silvertown tunnel (London, UK)**: an availability payment project with a concession term of 25 years. A 1.4 km twin bore road tunnel which will be built under the River Thames. The works are expected to be completed in 2025. Design and construction works are 78% complete as of December 31st, 2022.

TENDERS PENDING

Ferrovial keeps focused on the USA as main market, and the Group continues to pay close attention to private initiatives:

- Prequalified in two processes: SR400 Managed Lanes in Atlanta (Georgia) and I-10 Calcasieu River (Louisiana, US).
- Actively following several projects in other states. These projects have different degrees of development and are expected to come to market in the coming months. Some of them include Managed Lanes schemes.
- Cintra was selected as preferred proponent for the Connected Vehicle Ecosystem project services contract in Oregon.

Apart from the USA, Cintra is active in other geographies where selective investments could be pursued.



Airports

HEATHROW (25%, equity-accounted) – UK

TRAFFIC

Million passengers	DEC-22	DEC-21	VAR.
UK	3.4	1.8	89.8%
Europe	25.7	8.8	192.8%
Intercontinental	32.5	8.8	269.6%
Total	**61.6**	**19.4**	**217.6%**

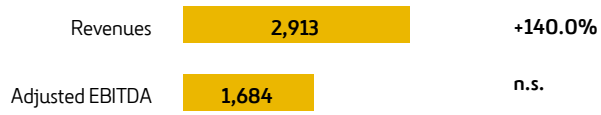
Heathrow welcomed 61.6mn passengers in 2022 (19.4mn passengers in 2021), an increase of 42.2mn vs 2021 (+217.6%), which represented the highest passenger increase of any major airport globally. Passenger numbers in December were close to 5.8mn, which was 11% below 2019 levels, the highest since the start of the pandemic. Demand continues to be driven by outbound leisure, although inbound leisure and business travel are showing good signs of recovery. In 4Q, business travel reached 28% of overall traffic, compared to 32% in the same period pre-pandemic.

After a slow start of the year, given the travel restrictions in the UK and the Omicron impact, Heathrow saw a surge in demand and a steady build in traffic in 2Q. In late June, Heathrow experienced an increased pressure due to a combination of reduced arrivals punctuality and increased passenger numbers exceeding the combined capacity of airlines, airline ground handlers and the airport. In July, Heathrow took swift action and introduced a temporary departing cap that was removed in October.

Over 4Q, the majority of passengers had a good experience through the airport. In 2022, Heathrow achieved an overall ASQ rating of 3.97 out of 5.00 (2021: 4.23), reflecting operational pressure across parts during the year. This is consistent with Heathrow's European competitors, who also saw decreases in levels of passenger satisfaction. Satisfaction with the Courtesy & Helpfulness of Airport Colleagues decreased to 4.38 vs. 2021 (4.58) but represented an improvement vs. 2019 (4.35) and exceeded the 2022 target of 4.37.

In 2022, Heathrow made SAF a regular feature of fuel supply at the airport. Heathrow's 2022 landing charges included a new financial incentive to help make SAF more affordable for airlines. The 2022 scheme was fully subscribed and designed to ensure that at least 0.5% of total aviation fuel delivered at Heathrow during 2022 was SAF. Airlines took part in a consultation regarding the 2023 aeronautical charges during 3Q 2022 and it was agreed that a 1.5% target incentive is to be implemented for 2023, with plans to rise steadily each year. This will be reviewed when UK Government SAF policy is confirmed.

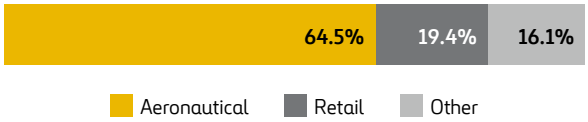
P&L HEATHROW SP



Revenues: +140.0% in 2022 to GBP 2,913mn.

- **Aeronautical:** +239.2% vs 2021 predominantly due to the recovery of passenger traffic following the easing of COVID-19 restrictions and an increase in aero charges. The maximum allowable yield for 2022 was £30.19 per passenger (2021: £19.36), as per the holding price cap set by the CAA for 2022.
- **Retail:** +159.9% vs 2021, driven by higher departing passengers, car parking revenue, terminal drop off, premium services and the mix of retail services available in 2022, compared to 2021 when governmental restrictions on non-essential shops were in place for the first five months of the year. Retail revenue per passenger decreased 18.1% to £9.16 (2021: £11.19).
- **Other revenues:** +6.1% vs 2021. Heathrow Express revenue showed a significant increase which is distorted by the lower level of services in 2021 due to the lockdown. Property and other revenue increased 9.2%. Other regulated charges (ORCs) decreased by -16.8% mainly due to 2021 ORC revenue being impacted by the brought forward under-recovery from prior periods, partially offset by higher ORCs due to an increase in passengers on baggage, hold baggage system and passengers requiring support.

Contribution to revenues:



Adjusted operating costs (ex-depreciation & amortization and exceptional items): +48.1% to GBP1,229mn (GBP830mn in 2021). Heathrow has increased its spending on employment costs due to the ramp-up of operations, mainly in T3 and T4, and the end of the Government's furlough scheme. The rise in operational and maintenance is mainly due to the full reopening of operations across the year, higher inflation and service quality rebates paid. Utilities and other costs have been impacted by higher consumption and higher energy prices.

Adjusted EBITDA reached GBP1,684mn, vs GBP384mn in 2021.

Heathrow SP & HAH

	Revenues			EBITDA			EBITDA margin		
(GBP million)	DEC-22	DEC-21	VAR.	DEC-22	DEC-21	VAR.	DEC-22	DEC-21	VAR. (bps)
Heathrow SP	**2,913**	**1,214**	**140.0%**	**1,684**	**384**	**n.s.**	**57.8%**	**31.6%**	**2,618**
Exceptionals & adjs	0	0	-32.3%	20	-27	-173.7%	n.s.	n.s.	n.s.
Total HAH	**2,913**	**1,214**	**139.9%**	**1,704**	**357**	**n.s.**	**58.5%**	**29.4%**	**2,910**

HAH net debt: the average cost of Heathrow's external debt at FGP Topco, HAH's parent company, was 9.81%, including all the interest-rate, exchange-rate, accretion and inflation hedges in place (3.79% in December 2021).

(GBP million)	DEC-22	DEC-21	VAR.
Loan Facility (ADI Finance 2)	839	875	6.7%
Subordinated	2,320	2,318	0.2%
Securitized Group	15,981	16,017	-3.6%
Cash & adjustments	-3,035	-2,921	-26.0%
Total	**16,106**	**16,290**	**3.2%**

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

Liquidity Position: Heathrow has sufficient liquidity to meet its base case cash flow into the start of 2026. This liquidity position takes into account GBP2,990mn in cash resources across the Group as well as undrawn revolving credit facilities GBP1,386mn as at December 31st, 2022.

Regulatory Asset Base (RAB): the RAB reached GBP19,182mn as of December 2022 (GBP17,474mn in December 2021). Heathrow Finance's gearing ratio was 82.3% (88.4% in December 2021) with a covenant of 92.5%.

Key regulatory developments: The CAA published its Final Proposals for the next five-year regulatory period to start in 2022, known as H7, on June 28th, 2022. This proposed an average charge of £24.14 (2020 CPI) across the H7 period. Heathrow's analysis shows that the CAA's proposals, as currently set out, are not deliverable due to errors in the CAA's forecasts of key regulatory building blocks. If these errors are not rectified, Heathrow will not be able to implement the investment set out in the Revised Business Plan (RBP), which delivers what passengers want and need on their journey through Heathrow.

Heathrow responded to the CAA's Final Proposals on August 9th, 2022, detailing why implementation of its Final Proposals for H7 would result in an airport that falls far short of what passengers expect. Heathrow is aligned with the CAA on the key outcomes consumers expect in H7 – but in advance of its Final Decision, the CAA must now reconsider its forecast of the key building blocks to ensure the price control is deliverable and can deliver on these outcomes.

On December 16th, 2022, Heathrow provided the CAA with an update to Heathrow's RBP. This update flowed through the impacts of changes in external inputs, such as updated energy prices, inflation forecasts and interest rates, on Heathrow's building blocks. This update is not a new plan but ensures that the building blocks of RBP are based on the most robust and up to date information and ensures that the CAA has the most up to date information on which to base its Final Decision for H7.

The CAA will continue the H7 process into 1Q 2023 with a final decision expected in March. Given the longer than anticipated timetable for setting a Final Decision, on February 1st, 2023, the CAA confirmed its decision to implement a price cap of £31.57 for 2023. This is in line with the price cap for 2023 set out by the CAA in its Final Proposals. This will be in place for the entirety of 2023 with any difference between the interim cap and the price cap in the CAA's Final Decision trued up through the remaining years of the price control.

Expansion developments

While Heathrow has paused expansion works during COVID-19, the recovery from the pandemic has shown the pent-up demand from airlines to fly from Heathrow, as well as how critical Heathrow is for the UK's trade routes. Heathrow is currently conducting an internal review of the work carried out and the different circumstances in which the aviation industry is in, which will enable to progress with appropriate recommendations. The Government's ANPS continues to provide policy support for Heathrow's plans for a third runway and the related infrastructure required to support an expanded airport.

Outlook

The outlook for 2023 remains consistent with the forecasts published in Heathrow's Investor Report in December 2022. Heathrow will continue to monitor performance and provide a further update in 1Q results in April. 2023 Outlook is based on a traffic estimatet to reach 67.2mn passengers (83% of 2019 levels).

AGS (50%, equity-accounted) – UK

AGS continues in its path to recovery from the COVID-19 pandemic. The company has been working on rebuilding capacity, AGS Airports continue to collaborate with their business partners to ensure global staff shortages are monitored and operational risk minimized, while managing its cost base to recover losses and closely track economic factors.

Traffic: number of passengers reached 9.2mn passengers (3.5mn in 2021) driven by higher traffic in all three airports resulting from milder restrictions in January and February, and the complete removal of restrictions in the UK since March 18th.

Million passengers	DEC-22	DEC-21	VAR.
Glasgow	6.5	2.1	214.3%
Aberdeen	2.0	1.1	78.0%
Southampton	0.6	0.3	140.0%
Total AGS	**9.2**	**3.5**	**164.1%**

Revenues increased by +92.4% vs 2021, reaching GBP167mn driven mainly by the positive performance in traffic, higher commercial income resulting from improved catering offerings, opening of Bureau de Change, lounges and fast track and strong performance from retail units and surface access. Revenues were positively impacted by the COVID testing sites across the three locations from March 2021 until July 2022.

Operating Costs increased by +28% to GBP118mn, mainly resulting from passenger volumes, increased pricing, the removal of rates relief in Scotland, the end of the Government´s furlough scheme and reinstated services which were on hold due to the pandemic.

EBITDA was GBP47mn (-GBP6mn vs 2021).

(GBP million)	DEC-22	DEC-21	VAR.
Total Revenues AGS	**167**	**87**	**92.4%**
Glasgow	105	45	132.0%
Aberdeen	46	32	45.1%
Southampton	15	9	61.2%
Total EBITDA AGS	**47**	**-6**	**n.s.**
Glasgow	41	-2	n.s.
Aberdeen	11	3	275.6%
Southampton	-6	-6	11.4%
Total EBITDA margin	**28.3%**	**-6.8%**	**n.s.**
Glasgow	39.3%	-5.4%	n.s.
Aberdeen	24.6%	9.5%	n.s.
Southampton	-38.3%	-69.7%	n.s.

Capital expenditure was prioritized in 2022, primarily driven by the Southampton runway, compliance and Health & Safety resulting in GBP13mn of expenditure.

Financial covenants: In 2021, AGS negotiated amendments and an extension of its debt facility with unanimous approval from all lenders. Under the aforementioned agreement, AGS's debt will mature in June 2024.

There have been no injections of the equity commitment in 2022.

Cash amounted to GBP52mn as at December 31st, 2022.

AGS net bank debt stood at GBP706mn at December 31st, 2022.

Dalaman (60%, globally consolidated) – Turkey

In July, Ferrovial completed the acquisition of 60% of Dalaman International Airport (Turkey) from YDA Group for EUR146mn, out of which EUR119mn had already been paid by Ferrovial. The concession agreement lasts until 2042.

Traffic: number of passengers reached 4.5mn passengers (2.3 in 2021) driven by higher traffic from the UK, representing 46% of the traffic of the airport. Passenger numbers in December reached +17.9% vs December 2019, the highest since the pandemic started.

Million passengers	DEC-22	DEC-21	VAR.
Domestic	1.5	1.4	9.1%
UK	2.1	0.1	n.s.
Others	0.9	0.8	15.0%
Total Dalaman	4.5	2.3	95.3%

Since the acquisition in July 2022, revenues reached EUR44mn driven by the positive performance in traffic, along with the higher commercial income resulting from passenger mix and inflation. **EBITDA** stood at EUR35mn with an EBITDA margin of 79.0%. The **EBITDA post concession fee** reached EUR30mn in 2022. EBITDA proforma from 2019 (Jan -Dec) of EUR28mn also included concession fee depreciation.

(EUR million)	DEC-22
Revenues	44
EBITDA	35
EBITDA margin	79.0%
Concession fee depreciation	-4
EBITDA post concession fee	30
Depreciation	-3
EBIT	28
EBIT margin	63.0%

Cash amounted to EUR10mn at December 31st, 2022.

Dalaman net debt stood at EUR103mn at December 31st, 2022.

NTO at JFK (49%, equity accounted) – USA

In June, Ferrovial entered into an agreement to invest in the capital of New Terminal One (NTO) at JFK International Airport in New York, the consortium appointed to remodel, build, finance, operate and maintain the facilities of the NTO (which includes replacing Terminals 1 and 2 and former Terminal 3 of this airport). Ferrovial holds a 49% indirect ownership interest in the project, becoming the consortium's lead sponsor. Other shareholders are Carlyle (indirect holdings of 2%), JLC (direct holdings of 30%) and Ullico (direct holdings of 19%).

On June 10th, 2022, the concession contract (Lease Agreement) with the Port Authority of New York and New Jersey (PANYNJ) and the financing and construction contracts came into force.

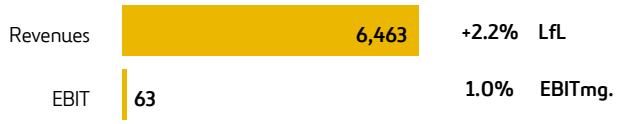
Ferrovial will contribute USD1,142mn during the construction period. The design and build will be carried out by Aecom Tishman. The terminal is expected to come into operation in 2026, with the concession contract ending in 2060.

As of December 31st, 2022, Ferrovial has contributed USD62mn of equity to the NTO. The development of the project remains on schedule with the demolition of Green Garage finalized, second AirTrain shutdown currently underway and the possession of Terminal 2 on January 15th.

(EUR million)	INVESTED CAPITAL	PENDING COMMITTED CAPITAL	NET DEBT 100%	FERROVIAL SHARE
NTO	59	1,009	1,061	49%

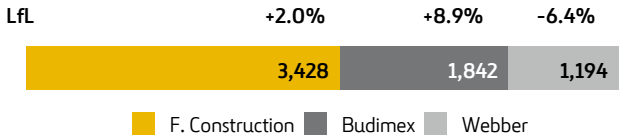


Construction



Revenues +2.2% LfL, mainly on the back of Budimex activity. International revenues accounted for 84%, focused on North America (38%) and Poland (28%).

2022 revenues (EUR6,463mn) and change LfL vs 2021:



In 2022, Construction **EBIT** stood at EUR63mn vs. EUR132mn in 2021, mainly due to higher inflation impact on prices of supplies and subcontracts, partially offset by price review formula compensation in some contracts and strong Budimex performance (6.3% EBIT mg). EBIT mg reached 1.0% vs. 2.2% in 2021.

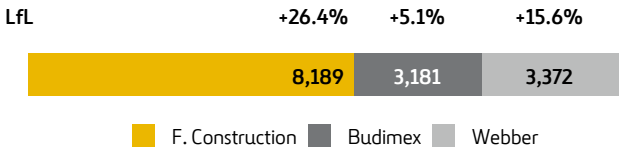
2022 EBIT & EBIT margin & change LfL vs 2021:

DEC-22	EBIT	LfL	EBIT mg
Budimex	117	-5.1%	6.3%
Webber	33	-35.5%	2.8%
F. Construction	-87	n.s.	-2.5%
Total EBIT	**63**	**-50.5%**	**1.0%**

Details by subdivision:

- **Budimex:** Revenues increased by +8.9% LfL supported by the Building and Civil Works activities due to a different portfolio of contracts in progress and exceeding forecasts supported by the good weather and the new awarded projects. EBIT margin reached 6.3% in 2022 vs 7.3% in 2021, the latter including the one-off impact from the sale of the Real Estate division, excluding this impact the 2021 profitability would have reached 6.4%.
- **Webber**: For comparable purposes, 2021 figures have been restated including the infrastructure maintenance activity in North America, this business was integrated at Webber from January 2022. Revenues decreased by -6.4% LfL, mainly due to the sale of the aggregate recycling activity (July 2021) along with the progressive withdrawal of the Non-Residential Construction activity, partially offset by the increase in the Infrastructure Maintenance Services activity. EBIT margin stood at 2.8% (4.0% in 2021) impacted by the extraordinary aggregate recycling activity sale in 2021, partially offset by the improvement of the final phase of large civil works projects along with the contribution from the infrastructure maintenance activity.
- **Ferrovial Construction:** revenues increased by +2.0% LfL, on the back of the completion of the D4R7 project in Slovakia, partially offset by the beginning of execution of the Sydney Metro project. EBIT stood at -EUR87mn (-EUR40mn in 2021) impacted by the cost of internal fees of onerous contracts which cannot be provisioned by accounting rules, along with price increases in labor, materials & energy, mostly related to US projects that are in the final phase. Ferrovial continues to maintain a prudent approach when recognizing claims on its financial statements.

2022 Order book & LfL change vs December 2021:



The **order book** stood at EUR14,743mn (+18.7% LfL compared to December 2021). The civil works segment remains the largest segment (69%) and continues to adopt highly selective criteria when participating in tenders, including inflation impacts observed. The international order book accounts for 85% of the total.

The percentage of the construction order book (excluding Webber and Budimex) from projects with Ferrovial reached 8% in 2022 (19% in December 2021). Although this figure should increase in coming years on the back of future projects related with Ferrovial businesses.

The order book figure at December 2022 does not include pre-awarded contracts or contracts pending commercial or financial agreement, which amount to EUR915mn, mainly from contracts at Budimex (EUR790mn) and Webber (EUR125mn).

P&L DETAILS

CONSTRUCTION	DEC-22	DEC-21	VAR.	LfL
Revenues	6,463	6,077	6.3%	2.2%
EBITDA	176	245	-28.0%	-27.8%
EBITDA margin	2.7%	4.0%		
EBIT	63	132	-52.5%	-50.5%
EBIT margin	1.0%	2.2%		
Order book	14,743	12,216	20.7%	18.7%

BUDIMEX	DEC-22	DEC-21	VAR.	LfL
Revenues	1,842	1,735	6.1%	8.9%
EBITDA	149	158	-5.8%	-3.2%
EBITDA margin	8.1 %	9.1 %		
EBIT	117	126	-7.7%	-5.1%
EBIT margin	6.3 %	7.3 %		
Order book	3,181	3,092	2.9%	5.1%

WEBBER	DEC-22	DEC-21	VAR.	LfL
Revenues	1,194	1,138	4.9%	-6.4%
EBITDA	73	84	-13.7%	-22.9%
EBITDA margin	6.1 %	7.4 %		
EBIT	33	46	-27.7%	-35.5%
EBIT margin	2.8 %	4.0 %		
Order book	3,372	2,747	22.8%	15.6%

F. CONSTRUCTION	DEC-22	DEC-21	VAR.	LfL
Revenues	3,428	3,204	7.0%	2.0%
EBITDA	-45	2	n.s.	n.s.
EBITDA margin	-1.3%	0.1%		
EBIT	-87	-40	-119.1%	n.s.
EBIT margin	-2.5%	-1.2%		
Order book	8,189	6,377	28.4%	26.4%

EBIT before impairments and disposals of fixed assets

Energy Infrastructure and Mobility

In 2021, Ferrovial created the Energy Infrastructure and Mobility division to explore sustainable business opportunities. During its second year of operation, the business is already developing projects in Energy Infrastructure and Mobility both areas, while managing circular economy activities in the UK and services in Chile and Spain.

Energy Infrastructure: Ferrovial has one transmission line already operational in Chile, which was acquired in 2016, and another under construction, the Centella project. In Spain, Ferrovial has a 50 MWp photovoltaic plant under construction, located in Seville, as well as a portfolio of generation projects in early stages of development exceeding 2-3 GW.

Mobility: Zity is the main asset of this activity. It is an electric car sharing company, already operating in Madrid, Paris, Lyon and Milan. The fleet consists vehicles that are recharged with 100% renewable energy. Ferrovial holds a 50% stake jointly with Renault. In addition, Ferrovial owns a minority stake in Inspiration Mobility. This North American company invests in the electric vehicle sector, both in cars and associated charging infrastructures.

In addition, the division also includes the activities from that have been excluded from the Services divestment, as these were related with infrastructure activities and opportunities that provide differential value based on the company's experience and background. These activities include the four municipal solid waste treatment centers located in UK, the activity focused on providing services to large-scale copper mining in Chile and the 24.7% stake in Serveo, a Spanish company focused on providing auxiliary services to public and private clients.



In 2022, the revenues from the Energy Infrastructure and Mobility division reached EUR296mn (EUR252mn in 2021) mainly from the activities related to the waste treatment in UK and the services activities in Chile. In 2022, EBITDA reached EUR13mn (-EUR13mn in 2021).

Services

In 2022, Ferrovial substantially completed the divestment of Services following its last milestone with the sale of Amey.

- **Amey:** In December 2022, Ferrovial sold Amey to One Equity Partners and Buckthorn Partners. The net consideration (equity value) that Ferrovial receives amounts to c.GBP264.6mn (EUR301.3mn) and remains subject to adjustment in accordance to a customary completion accounts mechanism. The price has been paid partly in cash in an amount of GBP112.8mn EUR132mn; the remaining portion will be paid through a vendor loan note of c.GBP151.8mn (EUR172.8mn), issued at completion and repayable over the next 5 years with an interest rate of 6% per year (increasing to 8% after year 3). The capital gain from the divestment reached EUR58mn in 2022.
- **Infrastructure Services in Spain:** In January 2022, Ferrovial completed the sale of its Infrastructure Services business in Spain to Portobello Capital for EUR171mn. After the closing of the sale, Ferrovial has acquired 24.99% of the share capital of the acquiring entity for EUR17mn.
- **Oil & Gas Services in USA:** Ferrovial closed the sale of its activity related to Oil&Gas in USA (Timec) to Architech Equity Holdings for EUR16mn in 2021.
- **Environmental Services in Spain:** In 2021, Ferrovial completed the sale of the environmental activity in Spain & Portugal to PreZero International GmbH (Group Schwarz) for an equity value of EUR1,032mn. The deal provided a capital gain of EUR335mn.
- **Broadspectrum:** In June 2020, Ferrovial sold Broadspectrum to Ventia following the agreement reached in December 2019. The transaction price (shares and shareholder loans) amounted to EUR300mn, including the 50% stake in TW Power Services, which was acquired by the JV partner Worley, instead of Ventia.

During the divestment process, Ferrovial has excluded some Services activities from the scope of sale, as these were contracts or businesses related with infrastructure activities which are align with Ferrovial strategy. The infrastructure activities that remain within Ferrovial activity by division are as follows:

- **Construction**
  - Road maintenance in USA Canada as these two countries need more maintenance during the winter, which is when less construction works are produced and yet there are resources that could help to increase activity during that period.
  - Energy efficiency a growing business that could benefit from the arrival of Next Gen funds.
  - Siemsa focused on industrial maintenance of equipment and electric equipment in Spain.
- **Toll Roads**
  - ARAVIA maintenance contract for conservation operation of a section of A2 highway in Spain.
  - EMESA maintenance contract of the M-30 road in Madrid (Spain).
- **Energy Infrastructure and Mobility**
  - Waste Treatment activity in UK: Ferrovial will keep these contracts to reshape the plants and put them in value to sell later.
  - Activity in Chile.

Consolidated P&L

(EUR million)	DEC-22	DEC-21
REVENUES	**7,551**	**6,910**
EBITDA	**728**	**610**
Period depreciation	-299	-270
EBIT (ex disposals & impairments)	**429**	**340**
Disposals & impairments	-6	1,139
EBIT	**423**	**1,479**
Financial Result	**-320**	**-335**
Financial Result from infrastructure projects	-365	-307
Financial Result from ex-infrastructure projects	45	-28
Equity-accounted affiliates	**165**	**-178**
EBT	268	966
Corporate income tax	-30	9
NET PROFIT FROM CONTINUING OPERATIONS	**238**	**975**
NET PROFIT FROM DISCONTINUED OPERATIONS	**64**	**361**
CONSOLIDATED NET INCOME	**302**	**1,336**
Minorities	-116	-138
NET INCOME ATTRIBUTED	**186**	**1,198**

Revenues at EUR7,551mn (+4.2% LfL) on the back of higher Construction revenues (+2.2% LfL) and Toll Roads (+22.4% LfL).

EBITDA reached EUR728mn (+7.7% LfL) supported by a higher contribution from Toll Roads (21.6% LfL), particularly US Toll Roads with an EBITDA of EUR498mn.

Depreciation: +10.7% in 2022 (+6.8% LfL) to -EUR299mn.

Impairments and fixed asset disposals: -EUR6mn in 2022, compared to EUR1,139mn in 2021 that showed the capital gains from the additional stake acquisition in I-66 (EUR1,117mn) along with the capital gains from the sale of URBICSA and Nalanda.

Financial result: lower financial expenses on the back of the financial income from ex-infra projects in 2022 vs 2021.

- **Infrastructure projects:** -EUR365mn expenses (-EUR307mn in 2021) mainly driven by the I-66 opening as financial expense is no longer capitalized due to the entry into operation in 2022, along with the negative performance of Autema's ILS derivative given the increase in inflation (mark to market change ILS).
- **Ex-infrastructure projects:** EUR45mn of financial income in 2022 (-EUR28mn in 2021), mainly due to the higher remuneration of the cash position in Construction along with the positive impact from the bond pre-issuance hedging, expected to be issued by Ferrovial in 2022. Given that the bond issuance had not taken place, the impact was reclassified in P&L (EUR68mn).

Equity-accounted result at net profit level, reached EUR165mn after tax (-EUR178mn in 2021). The change vs 2021 is mainly related to airports as the considerable losses posted in 2019 and 2020 in airports reduced the investments in Heathrow & AGS to zero, as prior-years losses exceeded the amount of investment, there being no commitments to inject additional funds (IAS 28). Therefore, there is no equity accounted contribution in 2022.

(EUR million)	DEC-22	DEC-21	VAR.
Toll Roads	**157**	**81**	**95.1%**
407 ETR	124	52	137.1%
IRB	22	0	n.s.
Others	11	28	-60.0%
Airports	**7**	**-254**	**102.8%**
HAH	0	-238	100.0%
AGS	0	-20	100.0%
Others	7	4	61.2%
Construction	**1**	**0**	**222.0%**
Others	**-1**	**-5**	**83.3%**
Total	**165**	**-178**	**192.5%**

REVENUES

(EUR million)	DEC-22	DEC-21	VAR.	LfL
Toll Roads	780	588	32.6%	22.4%
Airports	54	2	n.s.	n.s.
Construction	6,463	6,077	6.3%	2.2%
Energy Infrastructure & Mobility	296	252	17.6%	18.0%
Others	-42	-9	n.s.	n.s.
Total Revenues	**7,551**	**6,910**	**9.3%**	**4.2%**

EBITDA

(EUR million)	DEC-22	DEC-21	VAR.	LfL
Toll Roads	550	415	32.5%	21.6%
Airports	-2	-26	92.3%	-41.0%
Construction	176	245	-28.2%	-27.8%
Energy Infrastructure & Mobility	13	-13	200.0%	224.6%
Others	-9	-11	18.2%	50.8%
Total EBITDA	**728**	**610**	**19.3%**	**7.7%**

EBIT*

(EUR million)	DEC-22	DEC-21	VAR.	LfL
Toll Roads	390	275	42.3%	25.0%
Airports	-9	-26	65.4%	-40.9%
Construction	63	132	-52.5%	-50.5%
Energy Infrastructure & Mobility	1	-24	104.2%	104.7%
Others	-16	-17	5.9%	25.4%
Total EBIT	**429**	**340**	**26.2%**	**8.3%**

*EBIT before impairments and disposals of fixed assets

Tax: the corporate tax expense for 2022 was -EUR30mn (vs EUR9mn in 2021). 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 (EUR165mn).
- Losses and tax credits that, following accounting prudence criteria, do not imply the recognition of the full tax credits for future years (EUR158mn).

Excluding the aforementioned adjustments in the tax result, adjusting for the impact from previous years spending (-EUR5mn), and other adjustments, the resulting effective corporate income tax rate is 12%.

Net income from continuing operations stood at EUR238mn in 2022 (EUR975mn in 2021).

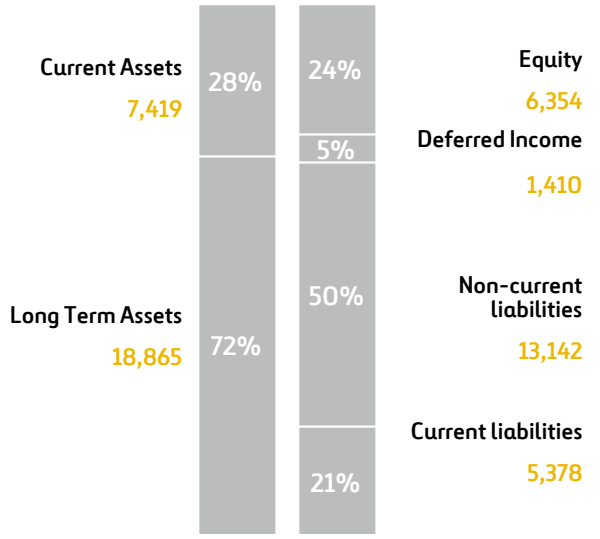
Net income from discontinued operations stood at EUR64mn mostly related to the capital gain from Amey's divestment, compared to EUR361mn in 2021, including the discontinued operations from Services activities (EUR246mn) and Budimex's Real Estate business (EUR115mn).

Consolidated Balance Sheet

(EUR million)	DEC-22	DEC-21
FIXED AND OTHER NON-CURRENT ASSETS	**18,865**	**15,852**
Consolidation goodwill	480	431
Intangible assets	137	126
Investments in infrastructure projects	13,667	11,185
Property	0	0
Plant and Equipment	479	354
Right-of-use assets	183	176
Equity-consolidated companies	1,892	1,838
Non-current financial assets	1,095	879
Long term investments with associated companies	246	227
Restricted Cash and other non-current assets	597	579
Other receivables	252	73
Deferred taxes	784	570
Derivative financial instruments at fair value	148	293
CURRENT ASSETS	**7,419**	**9,030**
Assets classified as held for sale	2	1,641
Inventories	475	405
Trade & other receivables	1,609	1,344
Trade receivable for sales and services	1,300	1,068
Other receivables	309	276
Taxes assets on current profits	19	79
Other short term financial assets	0	11
Cash and other temporary financial investments	5,130	5,536
Infrastructure project companies	168	207
Restricted Cash	38	47
Other cash and equivalents	130	160
Other companies	4,962	5,329
Derivative financial instruments at fair value	184	15
TOTAL ASSETS	**26,284**	**24,882**

(EUR million)	DEC-22	DEC-21
EQUITY	**6,354**	**5,829**
Capital & reserves attrib to the Company´s equity holders	4,113	4,039
Minority interest	2,241	1,790
Deferred Income	**1,410**	**1,403**
NON-CURRENT LIABILITIES	**13,142**	**11,107**
Pension provisions	2	3
Other non current provisions	416	422
Long term lease debts	120	115
Financial borrowings	10,776	9,513
Financial borrowings on infrastructure projects	7,893	7,362
Financial borrowings other companies	2,883	2,151
Other borrowings	838	72
Deferred taxes	924	687
Derivative financial instruments at fair value	66	295
CURRENT LIABILITIES	**5,378**	**6,543**
Liabilities classified as held for sale	0	1,395
Short term lease debts	64	58
Financial borrowings	877	1,096
Financial borrowings on infrastructure projects	74	47
Financial borrowings other companies	803	1,049
Derivative financial instruments at fair value	47	110
Trade and other payables	3,430	2,813
Trades and payables	1,663	1,544
Other non commercial liabilities	1,767	1,269
Liabilities from corporate tax	30	69
Trade provisions	930	1,002
TOTAL LIABILITIES & EQUITY	**26,284**	**24,882**

CONSOLIDATED BALANCE SHEET



GROSS CONSOLIDATED DEBT

Gross debt DIC-22	EX-INFRA	INFRA	CONSOLIDATED
Gross debt (EUR mn)	-3,716	-7,967	-11,682
% fixed	79.1%	97.5%	91.8%
% variable	20.9%	2.5%	8.2%
Average rate	1.8%	4.2%	3.5%
Average maturity (years)	3	23	17

CONSOLIDATED FINANCIAL POSITION

(EUR million)	DIC-22	DEC-21
Gross financial debt	**-11,682**	**-10,711**
Gross debt ex-infrastructure	-3,716	-3,248
Gross debt infrastructure	-7,967	-7,463
Gross Cash	**5,902**	**6,260**
Gross cash ex-infrastructure	5,154	5,430
Gross cash infrastructure	748	830
Total net financial position	**-5,781**	**-4,451**
Net cash ex-infrastructure	1,439	2,182
Net debt infrastructure	-7,219	-6,633
Total net financial position	**-5,781**	**-4,451**

Ex-infrastructure Net Financial Position

NET CASH POSITION (EUR)

Gross cash	5.2bn
Gross debt	-3.7bn
Net cash position	1.4bn

LIQUIDITY (EUR mn)

TOTAL GROSS CASH	UNDRAWN LINES
5,154	964
TOTAL LIQUIDITY	6,118

DEBT MATURITIES (EUR mn)

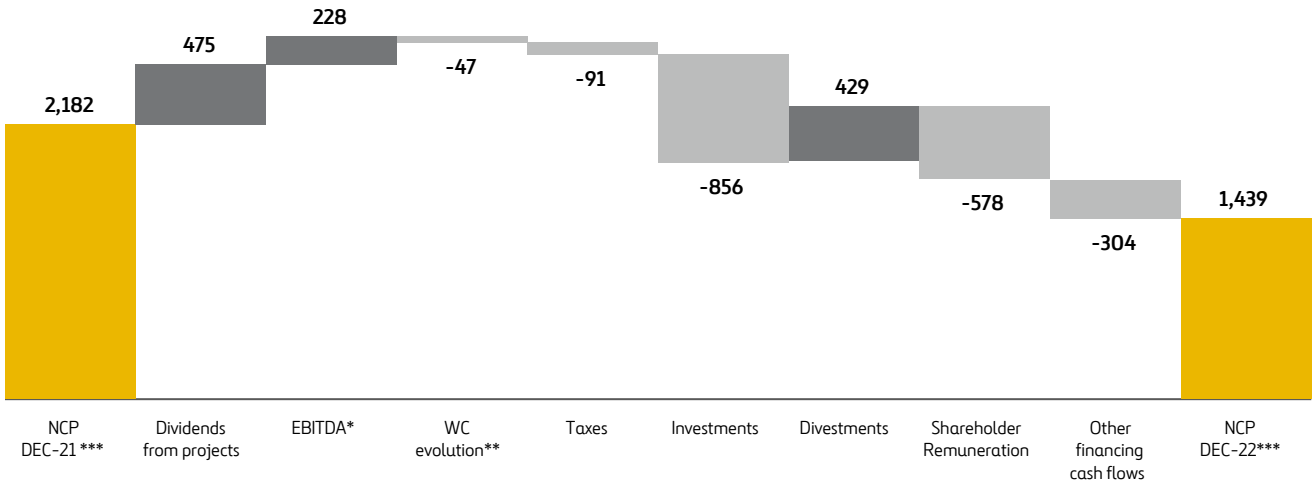
718	303	759	1,867
2023*	2024	2025	> 2026

(*) In 2022, ex-infrastructure debt includes outstanding ECP (Euro Commercial Paper), which at December 31st, 2022, had a carrying amount of EUR696mn (1.82% average rate).

RATING

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

CASH FLOW COMPONENTS



* EBITDA excludes contribution from projects but it includes EBITDA from Services.
** WC evolution includes the impact from IFRS16 (-EUR72mn)
***Ferrovial's net cash position includes Budimex's net cash position at 100% that reached EUR553mn in 2021 and EUR667mn in 2022.

Net cash position ex-infra projects: stood at EUR1,439mn in December 2022 vs EUR2,182mn in December 2021. The main drivers of this change were:

- **Project dividends:** EUR475mn, mainly from Toll Roads dividends that reached EUR388mn, including EUR237mn from 407 ETR and EUR123mn from Managed Lanes, along with EUR28mn from the rest of the toll roads. Airports distributed EUR10mn, mostly from the Doha airport maintenance contract. Construction dividends stood at EUR12mn in 2022, while Services dividends reached EUR5mn in 2022. Energy Infrastructure and Mobility reached EUR60mn of dividends, including the extraordinary dividend from Transchile (EUR51mn) upon the closing of its refinancing.
- **EBITDA:** EUR228mn, including the EBITDA ex-infrastructure from Toll Roads and Airports corresponding to the headquarters.
- **Negative Working Capital evolution** stood at -EUR47mn in 2022, on the back of the negative working capital from Services (-EUR60mn), offset by the positive working capital from Construction at EUR79mn. The Construction activity showed a significant improvement on the back of advanced payments in Canada (EUR160mn) and positive working capital evolution in Budimex, partially offset by the negative evolution of North America construction activity on the back of projects reaching the end of the construction phase.
- **Investments** reached -EUR856mn in 2022, most noteworthy of which were the EUR322mn invested in I-66 Managed Lanes project and the EUR46mn invested in NTE 3C, along with the EUR104mn to acquire an additional 7.135% stake in I-77, together with the EUR186mn from Airports (EUR119mn from Dalaman acquisition and EUR59mn of equity invested in NTO).
- **Divestments** stood at EUR429mn in 2022 mostly related to the divestment of the Services including the sale of the Infrastructure Services business in Spain (EUR175mn), Amey (EUR132mn), and the Toll Roads divestments, Algarve (EUR23mn) and Ausol (EUR111mn).
- **Shareholder Remuneration:** -EUR578mn in 2022, including -EUR132mn from the scrip dividend and -EUR446mn from the treasury share repurchase, that combines the share buyback program (EUR388mn) along with the discretionary shares purchased (EUR57mn) following the Board of Directors approval in 2021 which took place from December 2021 to January 2022.
- **Other financing cash flows:** include mostly the deconsolidation of net cash in divested companies and other cash flow movements, such as forex impact (-EUR113mn) from translation of cash positions and rollover of FX hedges in place at year end 2021. This effect will be more than offset by higher dividends since new hedging positions added during this year USD and CAD had a positive impact in the cash movement and lock in attractive FX levels for dividends to come. The company benefits from the appreciation of USD and CAD, because the large majority of dividends net of investments are unhedged, and leave the company positively exposed to the strength of these currencies.

Consolidated cash flow

DEC-22	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	228	655	0	883
IFRS16 impact	-72	0	0	-72
EBITDA including IFRS16	156	655	0	811
Dividends received	475	0	-191	284
Provisions variation	-68	0	0	-68
Working capital variation (account receivables, account payables and others)	20	-35	0	-15
Operating flow (before taxes)	**584**	**620**	**-191**	**1,012**
Tax payment	-91	9	0	-82
Operating Cash Flow	**493**	**629**	**-191**	**930**
Investments	-856	-784	414	-1,226
Divestments	429	0	0	429
Investment cash flow	**-427**	**-784**	**414**	**-797**
Activity cash flow	**66**	**-155**	**223**	**133**
Interest flow	3	-285	0	-282
Capital flow from Minorities	56	708	-414	350
Ferrovial shareholder remuneration	-578	0	0	-578
Scrip dividend	-132	0	0	-132
Treasury share repurchase	-446	0	0	-446
Other shareholder remuneration for subsidiary minorities	-67	-285	191	-161
Other movements in shareholder's funds	9	-77	0	-69
Forex impact	-113	-342	0	-456
Changes in the consolidated perimeter	-106	-91	0	-197
Other debt movements (non cash)	-13	-58	0	-71
Financing cash flow	**-809**	**-431**	**-223**	**-1,463**
Net debt variation	**-743**	**-586**	**0**	**-1,329**
Net debt initial position	**2,182**	**-6,633**	**0**	**-4,451**
Net debt final position	**1,439**	**-7,219**	**0**	**-5,781**

DEC-21	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	442	499	0	942
IFRS16 impact	-131	0	0	-131
EBITDA including IFRS16	311	499	0	811
Dividends received	550	-2	-276	272
Provisions variation	85	0	0	85
Working capital variation (account receivables, account payables and others)	-339	5	0	-334
Operating flow (before taxes)	**607**	**503**	**-276**	**834**
Tax payment	-121	-34	0	-155
Operating Cash Flow	**486**	**469**	**-276**	**679**
Investments	-1,112	-239	65	-1,285
Divestments	1,621	0	0	1,621
Investment cash flow	**509**	**-239**	**65**	**336**
Activity cash flow	**995**	**230**	**-210**	**1,015**
Interest flow	-39	-253	0	-292
Capital flow from Minorities	12	111	-65	57
Ferrovial shareholder remuneration	-463	0	0	-463
Scrip dividend	-31	0	0	-31
Treasury share repurchase	-432	0	0	-432
Other shareholder remuneration for subsidiary minorities	-88	-458	276	-270
Other movements in shareholder's funds	-5	5	0	0
Forex impact	49	-252	0	-202
Changes in the consolidated perimeter	-256	-1,482	0	-1,738
Other debt movements (non cash)	-13	-4	0	-17
Financing cash flow	**-804**	**-2,332**	**210**	**-2,926**
Net debt variation	**191**	**-2,102**	**0**	**-1,911**
Net debt initial position	**1,991**	**-4,532**	**0**	**-2,541**
Net debt final position	**2,182**	**-6,633**	**0**	**-4,451**

EX-INFRASTRUCTURE PROJECT CASH FLOW (INCLUDING DISCONTINUED OPERATIONS)

Activity cash flow

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

DEC-22	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Toll Roads	388	-339	50
Airports	10	-186	-176
Construction	144	-92	52
Services	93	295	388
Other	-51	-105	-156
Total	**584**	**-427**	**157**

DEC-21	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Toll Roads	469	-817	-347
Airports	3	-54	-51
Construction	44	474	518
Services	227	973	1,201
Other	-136	-68	-204
Total	**607**	**509**	**1,116**

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

Operations cash flow

At December 31st, 2022, cash flow from ex-infrastructure project operations totaled EUR584mn (before tax), slightly below EUR607mn in 2021, impacted by lower dividends from Toll Roads and lower contribution from Services on the back of the reduction of the business following the divestment process, partially offset by higher contribution from Construction division and Airports dividends vs 2021.

Operating cash flow	DEC-22	DEC-21
Dividends from Toll Roads	388	469
Dividends from Airports	10	3
Construction	144	44
Services	93	227
Other*	-51	-136
Operating flow (before taxes)	**584**	**607**
Tax payment	-91	-121
Total	**493**	**486**

* Others include the operating cash flow from Corporate Business, Airports & Toll Roads headquarters, along with the Energy Infrastructure and Mobility business.

Breakdown of cash flow from **Construction and Services:**

Construction	DEC-22	DEC-21
EBITDA	176	245
EBITDA from projects	6	11
EBITDA Ex projects	170	234
IFRS16 impact	-64	-63
EBITDA including IFRS16	106	171
Dividends received	12	3
Provisions variation	-53	67
Working capital variation (account receivables, account payables and others)	79	-197
Changes in factoring	0	0
Land purchases	0	0
Working capital	79	-197
Operating Cash Flow before Taxes	**144**	**44**

Services	DEC-22	DEC-21
EBITDA	155	365
EBITDA from projects	0	60
EBITDA Ex projects	155	305
Dividends received	5	43
Working capital variation (account receivables, account payables and others)	-60	-111
Changes in factoring	0	0
Pensions payments UK	-16	-14
Operating Cash Flow before Taxes	**83**	**222**

Dividends received from projects and capital reimbursements reached EUR475mn in 2022 (EUR550mn in 2021).

(EUR million)	DEC-22	DEC-21
Toll Roads	388	469
Airports	10	3
Services	5	43
Construction	12	3
Energy Infrastructure & Mobility	60	31
Others	0	1
Total	**475**	**550**

Energy Infrastructure and Mobility reached EUR60mn of dividends, including the extraordinary dividend from Transchile (EUR51mn) upon the closing of its refinancing.

Dividends from Toll Roads amounted to EUR388mn in 2022 (EUR469mn in 2021).

Dividends and Capital reimbursements	DEC-22	DEC-21
407 ETR	237	164
LBJ	31	167
NTE	92	53
IRB	2	0
Irish toll roads	3	1
Portuguese toll roads	2	4
Australian toll roads	4	1
Spanish toll roads	12	75
Others	5	3
Total	**388**	**469**

Dividends and capital reimbursements from Airports reached EUR10mn in 2022 vs EUR3mn in 2021.

Airports	DEC-22	DEC-21
HAH	0	0
AGS	0	0
FMM	8	3
Others	2	0
Total	**10**	**3**

Investment cash flow

DEC-22	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-473	134	-339
Airports	-186	0	-186
Construction	-97	5	-92
Services	-21	316	295
Other	-78	-27	-105
Total	**-856**	**429**	**-427**

DEC-21	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-864	47	-817
Airports	-54	0	-54
Construction	-55	529	474
Services	-67	1,040	973
Other	-72	5	-68
Total	**-1,112**	**1,621**	**509**

The **net investment cash flow** in 2022 (-EUR427mn) includes:

- **Investments** reached -EUR856mn in 2022 (-EUR1,112mn in 2021), most noteworthy of which were the EUR322mn invested in the I-66 Managed Lanes project and the EUR46 invested in NTE 3C, along with the EUR104mn to acquire an additional 7.135% stake in I-77, together with the EUR186mn from Airports (EUR119mn from Dalaman acquisition and EUR59mn of equity invested in NTO).
- **Divestments** reached EUR429mn in 2022 (EUR1,621mn in 2021) mostly related to the divestment of the Services division including the divestment of the Infrastructure Services business in Spain (EUR175mn), Amey (EUR132mn) and the divestment of Ausol (EUR111mn) and Algarve (EUR23mn).

Financing cash flow

Financing cash flow includes:

- **Shareholder remuneration cash flow:** -EUR578mn in 2022, (-EUR463mn in 2021), including -EUR132mn from the scrip dividend and -EUR446mn of shares repurchase including the share buyback program (EUR388mn) along with the discretionary shares purchased (EUR57mn) following the Board of Directors approval in 2021 which took place from December 2021 to January 2022.
- **Net interest payments** reached EUR3mn in 2022.
- **FX impact** stood at -EUR113mn, primarily from the USD.
- **Changes in the consolidated perimeter** (-EUR106mn) included the net cash position held by Infrastructure Services activity and Amey upon sale.
- **Other non-cash flow** related movements (EUR-13mn) which included 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.

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-22	DEC-21
Toll roads	583	387
Other	45	82
Operating cash flow	**629**	**469**

Investment cash flow

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

(EUR million)	DEC-22	DEC-21
LBJ	-2	-2
NTE	-8	-4
NTE 35W*	-247	-193
I-77	-17	0
I-66	-436	-53
Portuguese toll roads	-1	-1
Spanish toll roads	-4	-1
Others	0	1
Total toll roads	**-715**	**-253**
Others	-94	-32
Total projects	**-809**	**-285**
Equity Subsidy	25	46
Total investment cash flow (projects)	**-784**	**-239**

*NTE35W includes the NTE3C segment, under construction.

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-22	DEC-21
Spanish toll roads	-44	-47
US toll roads	-213	-173
Portuguese toll roads	-11	-13
Other toll roads	0	0
Total toll roads	**-268**	**-233**
Other	-17	-20
Total	**-285**	**-253**

The financing cash flow also includes the impact that changes in the exchange rate have had on the debt held in foreign currency, which in 2022 was a negative impact of -EUR342mn, primarily as the result of the depreciation of the euro against USD, which has had an impact on the net debt figure for the US toll roads.

Events After the Reporting Period

On February 28th, the Board of Directors approved the merger of Ferrovial, S.A. into its wholly-owned subsidiary Ferrovial International SE. This means that the parent company of the Ferrovial group will become a European public limited company ("Societas Europaea") domiciled in the Netherlands. After the merger, the parent company will continue to be traded in Spain and will also be traded in the Netherlands. It will subsequently apply for listing in the United States.

This reorganization, which only affects the group's parent company, is driven by the growing internationalization of Ferrovial, which has the largest volume of its activity abroad. In 2022, 82% of the group's revenues and nearly 96% of its value came from its international business, while more than 90% of its institutional investors were international entities.

The corporate reorganization has been designed to keep employment, activity, and investments in Spain intact, with no relevant tax impact for the group. Shareholders will have a right of withdrawal on the terms set out by applicable law. The decision will be submitted to the General Shareholders' Meeting for approval.

Apart from the aforementioned, there are no other significant subsequent events to report at the date these financial statements are authorized for issue.

Appendix I – Toll Roads Details by asset

TOLL ROADS – GLOBAL CONSOLIDATION

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Global consolidation	**DEC-22**	**DEC-21**	**VAR.**	**DEC-22**	**DEC-21**	**VAR.**	**DEC-22**	**DEC-21**	**VAR.**	**DEC-22**	**DEC-21**	**DEC-22**	**SHARE**
NTE*	36	33	9.2%	230	159	45.1%	203	139	46.0%	87.9%	87.4%	-1,142	63.0%
LBJ*	40	37	7.3%	151	113	34.4%	121	87	39.8%	80.1%	77.0%	-1,887	54.6%
NTE 35W*/**	35	35	-2.2%	159	120	32.4%	132	101	30.4%	82.6%	83.9%	-1,152	53.7%
I-77*	34	28	18.7%	57	31	86.5%	36	17	113.6%	62.9%	54.9%	-240	72.2%
I-66***				12	0	n.s.	6	0	n.s.	52.0%		-1,536	55.7%
TOTAL USA				**611**	**423**	**44.5%**	**498**	**344**	**45.0%**			**-5,957**	
Autema	16,565	15,390	7.6%	63	60	4.7%	55	53	3.3%	86.3%	87.5%	-607	76.3%
Aravia***	34,585	32,384	6.8%	34	39	-11.7%	28	33	-14.7%	81.4%	84.3%	-30	100.0%
TOTAL SPAIN				**97**	**99**	**-1.7%**	**82**	**86**	**-3.6%**			**-636**	
Azores	11,180	10,071	11.0%	32	28	11.7%	28	25	12.0%	87.2%	87.0%	-263	89.2%
Via Livre				17	13	30.9%	5	2	110.9%	28.0%	17.4%	4	84.0%
TOTAL PORTUGAL				**49**	**42**	**17.8%**	**33**	**27**	**20.4%**			**-259**	
TOTAL HEADQUARTERS				**23**	**25**	**-8.3%**	**-62**	**-41**	**-52.4%**				
TOTAL TOLL ROADS				**780**	**588**	**32.6%**	**550**	**415**	**32.4%**	**70.5%**	**70.6%**	**-6,852**	

* Traffic in millions of transactions. ** NTE 35W includes contribution from NTE3C (under construction). Net debt 100%: includes all 3 segments. ***I-66 Managed Lanes opened its first section to traffic in September 2022, and the full project opened to traffic at the end of November 2022.

TOLL ROADS – EQUITY-ACCOUNTED (FIGURES AT 100%)

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Equity accounted	**DEC-22**	**DEC-21**	**VAR.**	**DEC-22**	**DEC-21**	**VAR.**	**DEC-22**	**DEC-21**	**VAR.**	**DEC-22**	**DEC-21**	**DEC-22**	**SHARE**
407 ETR (VKT mn)	2,213	1,696	30.5%	969	692	40.1%	831	581	43.1%	85.8%	84.0%	-6,239	43.2%
M4	30,155	24,289	24.2%	33	27	22.4%	18	15	20.5%	54.3%	55.1%	-53	20.0%
M3	34,920	28,874	20.9%	20	18	7.7%	11	12	-0.8%	58.0%	63.0%	-42	20.0%
A-66 Benavente Zamora				25	23	8.7%	22	21	7.4%	87.3%	88.4%	-150	25.0%
Serrano Park				7	6	15.4%	4	3	53.2%	64.5%	48.6%	-30	50.0%
EMESA*				175	153	14.7%	99	84	16.7%	56.3%	55.4%	-198	10.0%
IRB				802	724	10.7%	427	374	14.2%	53.2%	51.6%	-1,152	24.9%
Toowoomba				27	26	6.3%	6	6	0.0%	21.7%	23.1%	-225	40.0%
OSARs				21	42	-50.5%	6	11	-40.9%	30.1%	25.2%	-363	50.0%
Zero ByPass (Bratislava)				17	51	-65.9%	3	44	-92.7%	18.8%	87.3%	-807	35.0%

Appendix II – P&L of Main Infrastructure Assets

TOLL ROADS

407 ETR

(CAD million)	DEC-22	DEC-21	VAR.
Revenues	1,327	1,023	29.7%
EBITDA	1,139	859	32.6%
EBITDA margin	85.8%	84.0%	
EBIT	1,039	757	37.3%
EBIT margin	78.3%	74.0%	
Financial results	-447	-465	3.9%
EBT	592	291	103.1%
Corporate income tax	-156	-79	-98.2%
Net Income	435	212	104.9%
Contribution to Ferrovial equity accounted result (EURmn)	124	52	137.1%

LBJ

(USD million)	DEC-22	DEC-21	VAR.
Revenues	159	133	20.0%
EBITDA	128	102	24.8%
EBITDA margin	80.1 %	77.0%	
EBIT	101	76	33.8%
EBIT margin	63.4 %	56.9%	
Financial results	-81	-80	-1.0%
Net Income	20	-5	n.s.
Contribution to Ferrovial*	10	-2	n.s.

*Globally consolidated asset, contribution to net profit (EURmn). 54.6% stake

NTE

(USD million)	DEC-22	DEC-21	VAR.
Revenues	243	187	29.6%
EBITDA	213	164	30.4%
EBITDA margin	87.9 %	87.4%	
EBIT	185	129	42.9%
EBIT margin	76.1 %	69.0%	
Financial results	-52	-51	-1.4%
Net Income	133	78	70.0%
Contribution to Ferrovial*	79	42	90.3%

*Globally consolidated asset, contribution to net profit (EURmn). 62.97% stake.

NTE 35W

(USD million)	DEC-22	DEC-21	VAR.
Revenues	168	142	18.2%
EBITDA	139	119	16.4%
EBITDA margin	82.6 %	83.9%	
EBIT	115	94	22.0%
EBIT margin	68.6 %	66.5%	
Financial results	-39	-43	9.0%
Net Income	76	51	48.2%
Contribution to Ferrovial*	38	23	66.0%

*Globally consolidated asset, contribution to net profit (EURmn). 53.67% stake.

I-77

(USD million)	DEC-22	DEC-21	VAR.
Revenues	61	36	66.6%
EBITDA	38	20	90.8%
EBITDA margin	62.9 %	54.9%	
EBIT	30	13	121.4%
EBIT margin	49.2 %	37.0%	
Financial results	-11	-12	3.4%
Net Income	19	2	n.s.
Contribution to Ferrovial*	12	1	n.s.

*Globally consolidated asset, contribution to net profit (EURmn). 72.24% stake.

IRB

(EUR million)	DEC-22	DEC-21	VAR.
Revenues	802	764	4.9%
EBITDA	427	394	8.3%
EBITDA margin	53.2%	51.6%	
EBIT	330	313	5.5%
EBIT margin	41.2%	41.0%	
Financial results	-186	-235	20.7%
EBT	135	55	145.1%
Corporate income tax	-42	-21	-105.6%
Net Income	92	34	168.8%
Contribution to Ferrovial equity accounted result (EURmn)	22	0	n.s.



AIRPORTS

Heathrow SP & HAH

	Revenues			EBITDA			EBITDA margin		
(GBP million)	DEC-22	DEC-21	VAR.	DEC-22	DEC-21	VAR.	DEC-22	DEC-21	VAR. (bps)
Heathrow SP	**2,913**	**1,214**	**140.0%**	**1,684**	**384**	**n.s.**	**57.8%**	**31.6%**	**2,618**
Exceptionals & adjs	0	0	-32.3%	20	-27	-173.7%	n.s.	n.s.	n.s.
Total HAH	**2,913**	**1,214**	**139.9%**	**1,704**	**357**	**n.s.**	**58.5%**	**29.4%**	**2,910**

HAH

(GBP million)	DEC-22	DEC-21	VAR.
Revenues	2,913	1,214	139.9%
EBITDA	1,704	357	n.s.
EBITDA margin	58.5%	29.4%	
Depreciation & impairments	-795	-828	4.1%
EBIT	909	-472	292.8%
EBIT margin	31.2%	-38.8%	
Financial results	-687	-1,509	54.4%
EBT	222	-1,981	111.2%
Corporate income tax	-54	319	-116.9%
Net income	168	-1,662	110.1%
Contribution to Ferrovial equity accounted result (EUR mn)	0	-238	n.s.

AGS

(GBP million)	DEC-22	DEC-21	VAR.
Revenues	167	87	92.4%
EBITDA	47	-6	n.s.
EBITDA margin	28.3%	-6.8%	
Depreciation & impairments	-36	-38	5.4%
EBIT	11	-44	125.4%
EBIT margin	6.7%	-50.6%	
Financial results	-42	-38	-8.8%
EBT	-31	-82	62.7%
Corporate income tax	2	-39	104.0%
Net income	-29	-121	76.0%
Contribution to Ferrovial equity accounted result (EUR mn)	0	-20	n.s.

DALAMAN

(EUR million)	DEC-22
Revenues	44
EBITDA	35
EBITDA margin	79.0%
Depreciation & impairments	-7
EBIT	28
EBIT margin	63.0%
Financial results	-9
EBT	18
Corporate income tax	3
Net income	**21**

Appendix III – Exchange rate movements

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

	LAST EXCHANGE RATE (BALANCE SHEET)	CHANGE 2022/2021	AVERAGE EXCHANGE RATE (P&L)	CHANGE 2022/2021
GBP	0.8853	5.2%	0.8527	-0.7%
US Dollar	1.0705	-5.8%	1.0533	-10.7%
Canadian Dollar	1.4506	0.9%	1.3698	-7.4%
Polish Zloty	4.6852	2.1%	4.6847	2.6%
Australian Dollar	1.5717	0.4%	1.5168	-3.9%
Indian Rupee	88.1544	4.7%	82.7262	-5.2%

Appendix IV – Shareholder remuneration

SCRIP DIVIDEND

The company held its AGM on April 7th, 2022. 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 the 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 received against the shares they already own to Ferrovial (or selling them in the market).

Scrip Dividend details	MAY-22	NOV-22
Guaranteed set price to purchase rights	0.278	0.414
Rights per share	87	56
% shareholders chose shares as dividends	47.06 %	91.99 %
% shareholders chose cash as dividends	52.94 %	8.01 %
Number of new shares issued	3,968,559	12,116,333
Number of rights purchase	388,337,800	59,056,364

SHARE BUY-BACK AND AMORTIZATION OF SHARES

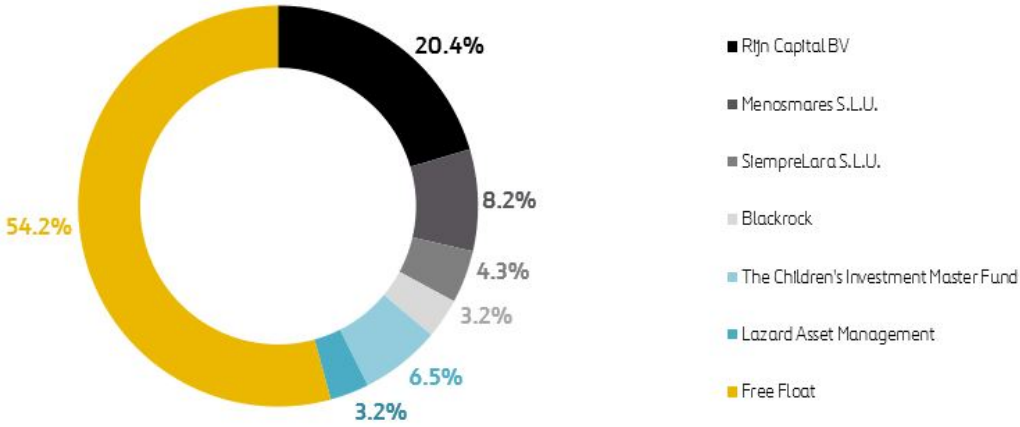
On February 24th, 2022, the Board of Directors of Ferrovial resolved to implement a buy-back program of the company's own shares, in accordance with the authorization granted by the AGM held on April 5th, 2017, under item ten of its agenda, along with the authorization of the 2022 AGM (item 13).

Under this Buy-back Programme that ended on December 5th, 2022, Ferrovial acquired 15,743,329 of own shares, a 2.10% of Ferrovial's current share capital, without exceeding the limit of EUR500mn or 34 million shares. The share capital was subsequently reduced by EUR 4,448,822.40 by means of the cancellation of 22,244,112 company shares held in the company's treasury shares, by the General Shareholders' Meeting of Ferrovial held on April 7th, 2022, to reduce the company's share capital.

Ferrovial's share capital figure as of December 31st, 2022, was EUR145,488,652.20 all fully subscribed and paid up. The share capital comprises 727,443,261 ordinary shares of one single class, each with a par value of twenty-euro cents (EUR0.20). The company's treasury stock amounted to 1,168,290 shares as of December 31st, 2022.

Appendix V – Shareholder Structure

SHAREHOLDER STRUCTURE (CNMV) 31 DECEMBER 2022





Appendix VI – Additional Information

SHARE BUY-BACK TRANSACTIONS

TRANSACTION PERFORMED/OBJECTIVE	NUMBER OF SHARES ACQUIRED	NUMBER OF SHARES USED FOR OBJECTIVE	TOTAL NUMBER OF SHARES
Balance 31/12/2021			5,072,018
Capital reduction	17,912,899	-22,244,112	-4,331,213
Compensation systems	315,000	-338,815	-23,815
Shares received from Scrip dividend	451,300		451,300
Balance 31/12/2022			**1,168,290**

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 2022 was 42 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 2022 and 2021:

DAYS	2022	2021
Average period of payment to suppliers	42	41
Ratio of transactions settled	42	42
Ratio of transactions not yet settled	46	36
AMOUNT (EUR)		
Total payments made	880,123,350	751,447,311
Total payments outstanding	42,000,761	20,385,897

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





H7 site workers, Heathrow Airport, London, United Kingdom.

Valuable assets

Ferrovial's value lies in its assets. Some of them are emblematic in the universe of privately managed transport infrastructures. This is the case of the 407 ETR, the Managed Lanes in Texas or Heathrow Airport. Others have major local repercussions. They are operated through Cintra and Ferrovial Airports business units. There are 29 assets, totaling an investment of 37,000 million euros, located in the United States, Canada, United Kingdom, Australia, Spain, Colombia, Ireland, Portugal, Türkiye and Slovakia.

FERROVIAL'S CONCESSIONS

The following infrastructure assets are managed by Ferrovial, through its divisions, Cintra and Ferrovial Airports

TOLL ROADS

ASSETS	LENGTH (KM)	COUNTRY	INVESTMENT (M€)	STAKE	CONCESSION PERIOD
407 ETR	108 kilometers	Canada	3,505	43.2%	1999-2098
407 EDG	35 kilometers	Canada	563	50%	2012-2045
407 East Phase 2	32.5 kilometers	Canada	511	50%	2015-2047
North Tarrant Express	21.4 kilometers	United States	1,867	63%	2009-2061
LBJ Express	21.4 kilometers	United States	2,312	54.6%	2009-2061
NTE 35W	27.2 kilometers	United States	2,273	53.7%	2013-2061
I-77	41.8 kilometers	United States	708	72.2%	2014-2069
I-66	36.2 kilometers	United States	3,275	55.7%	2016-2066
Autema	48.3 kilometers	Spain	524	76%	1986-2036
A66	49 kilometers	Spain	169	25%	2012-2042
Aravia	107.2 kilometers	Spain	190	100%	2007-2026
Emesa & Calle M-30	32.2 kilometers	Spain	606	10%	2005-2025
Azores	93.7 kilometers	Portugal	387	89%	2006-2036
Vialivre	174.5 kilometers	Portugal	-	84%	2010-2024
M8-M73-M74	28.6 kilometers	United Kingdom	376	40%	2014-2047
Silvertown Tunnel	1.4 km road tunnel	United Kingdom	1,210	22.5%	2019-2050
M4-M6 Kinnegad-Kilcock	36 kilometers	Ireland	335	20%	2003-2033
M3 Clonee-Kells	50 kilometers	Ireland	549	20%	2007-2052
Ruta del Cacao	151.6 kilometers	Colombia	392	30%	2015-2040
D4-R7	59.1 kilometers	Slovakia	891	35%	2016-2050
Western Roads Upgrade	240 kilometers	Australia	435	50%	2018-2040
Toowoomba	41 kilometers	Australia	639	40%	2015-2043
Serranopark	3,297 parking lots	Spain	44	50%	2008-2048



AIRPORTS

ASSET	COUNTRY	INVESTMENT (M€)	STAKE	CONCESSION PERIOD
HAH	United Kingdom	4,309	25%	2006-
AGS	United Kingdom	399	50%	2014-
Dalaman	Türkiye	140	60%	2022-2042
New Terminal One	United States	1,068	49%	2022-2060

PEOPLE

Talent and digitalization

In 2022, the digitalization process of Ferrovial's people management was completed with the launch of Workday. In addition, different initiatives have been carried out aimed at attracting, developing and retaining the best diverse talent in key geographies.

The company remains committed to the digitalization, efficiency and continuous improvement of processes that enable the identification, development and retention of talent.

In this context, in July 2022, Workday was launched, the new unified human resources system, which, among other benefits, allows the simplification, automation and standardization of the main processes and access to key information of professionals in real time and from any device, which will result in optimal and agile decisions in terms of people management.



INTEGRATED MANAGEMENT OF TALENT

The incorporation of the best talent in all areas of the organization is one of Ferrovial's priorities. In this line, during 2022, new collaboration agreements have been renewed and signed with some of the most prestigious universities and business schools worldwide, which will allow access to the best talent. The company has also reinforced the employer brand image, emphasizing the benefits of joining a global company such as Ferrovial. In this regard, the 9,658 job offers registered received a total of 223,702 applications, of which 21.39% were filled by internal candidates.

During 2022, the performance and talent review model was consolidated and evolved, with the primary objective of strengthening meritocracy and skills development as key levers for growth within the organization. This model, based on objectives, competencies and critical capabilities for Ferrovial, covers more than 5,500 professionals. The key benefits of this process are the identification of the people with the greatest contribution and growth potential, individualized feedback and the definition of development plans that allow the staff to grow professionally. In total, 10,455 Ferrovial employees participate in some kind of performance and professional development evaluation process, 30.44% of the average workforce.

A culture based on merit and continuous development requires top-level training content. For this reason, during 2022, the Learning Center has evolved into a large catalog of content accessible from Workday for the entire workforce. Anyone can access more than 12,000 training courses in different areas such as business, technology, leadership, innovation, finance, health and safety, legal, etc., accessible from any device, which enables real-time learning and agile response to changing business challenges.

Complementing the digital offer, the Corporate University (SUMMA) has designed and launched in 2022 programs that accompany the growth and development of each professional in the key stages of their career. These include the new edition of the New Joiners program, aimed at new recruits; the program for new Managers, which focuses on understanding the functions of the new role and developing team management and leadership skills; and the Global Executive Program, aimed at the company's leaders, in which they become aware of the environment and future trends in the industry and global context.

Also in 2022, Ferrovial signed an agreement with the European business school Institute for Management Development (IMD) to collaborate in the development of key people.

At the end of the year, Ferrovial professionals received more than 500,000 hours of training (in both online and onsite formats), which represented an investment of 9.05 million euros (264.2€/ employee).

DIVERSITY AND INCLUSION

One of the commitments acquired in the Horizon 24 Strategic Plan is to have an increasingly diverse workforce, generating an inclusive environment, where collective intelligence is enhanced to increase competitiveness.

Ferrovial continues to increase the incorporation of diverse profiles at all organizational levels. During 2022, the number of women in leadership positions increased from 21% to 23.4%, in line with the goal of having 30% of women in this group by the end of 2024. In addition, the company ensures compliance with equal pay for men and women, for which different actions have been developed to monitor possible deviations. In this regard, a new Human Resources management tool has been implemented to monitor compensation in real time in all business units and geographies with relevant activity. The global pay gap calculated as an average is 3.24%.

Furthermore, in 2022, significant achievements have been made in diversity and inclusion, including the following:

- Diversity and Inclusion Policy: approved by Ferrovial's Board of Directors, this policy sets the basis for action in this area for all professionals.
- Renewal of the Bloomberg Gender-Equality Index for the third consecutive year, which accredits the company's good practices in this area.
- Equality Plan: together with the most representative trade union federations in the sector, Ferrovial has signed the III Equality Plan for different Group companies. The four-year plan consists of 84 measures aimed at promoting equal opportunities between women and men.

SATISFACTION AND COMMITMENT

Ferrovial periodically conducts opinion surveys in which employees can express their vision of the company. The surveys provide insight into the climate of the organization, helping to identify the aspects most valued by employees on key issues such as a sense of belonging, leadership, professional development, remuneration, reputation, work experience, loyalty and happiness.

The last survey, conducted in December 2022, achieved a participation rate of over 60% and an average satisfaction level of 7.4/10. Based on this data, specific actions will be carried out to encourage employee engagement and increase satisfaction levels.

In this regard, Ferrovial's workforce has flexibility measures to facilitate work-life balance, as set out in its Flexibility and Work-Life Balance Policy (applicable in Spain). These include the following: flexible reduced working hours, flexible working hours, paid maternity leave extension before the date of birth, paid parental leave, sabbatical periods, leave of absence to care for family members, recoverable leave and vacation buyouts.

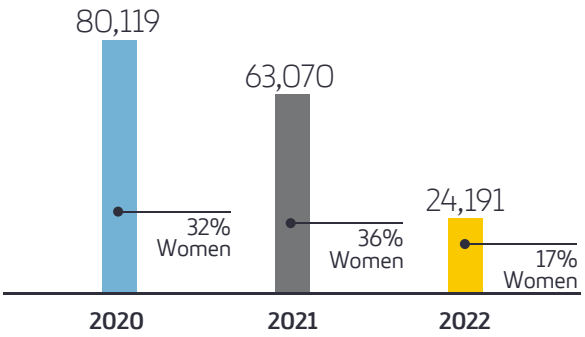
Ferrovial's essence

Culture and values have been key success factors in Ferrovial's history, making the company one of the world's leading infrastructure developers.

Once the divestments of Ferrovial Services have been completed in 2022, a project has been launched to reinforce the corporate culture and values to boost the commitment of the teams, strengthening the feeling of belonging and homogenizing the way of doing things.

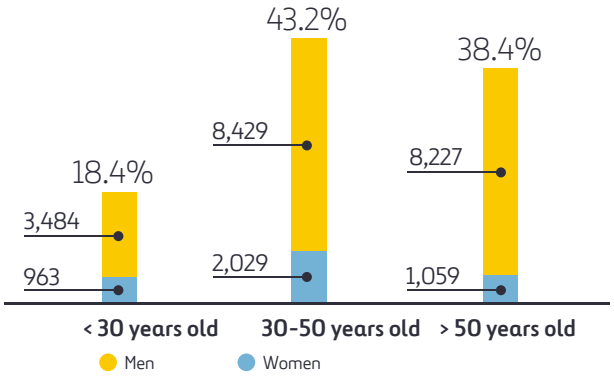
The initiative started with a campaign to disseminate the culture and values through different channels. During 2023, other communication initiatives, work sessions and other actions will be launched that will bring the way of living and promoting corporate values even closer to the workforce.

EVOLUTION

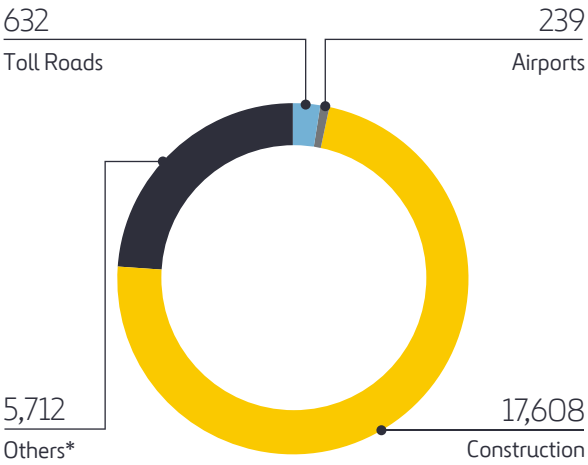


NOTE: the decrease in the number of employees and percentage of women is due to the divestment of Services, whose workforce had a high proportion of women.

BY AGE

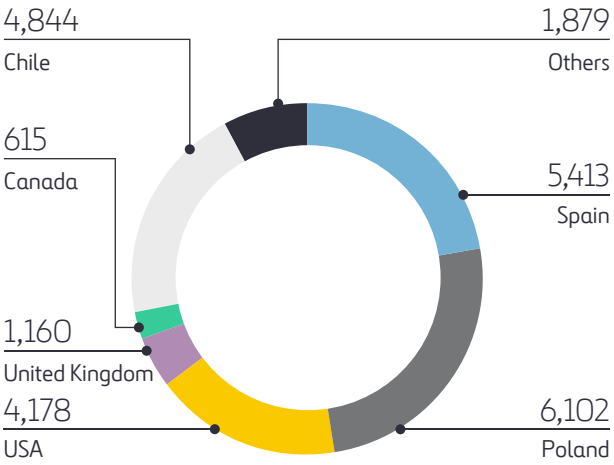


BY BUSINESS



*Includes Corporation (511) and Services (5,201)

BY COUNTRY



Information for 2021 is available on page 79 of the IAI21

HEALTH, SAFETY AND WELLBEING

An essential part of the strategy

Ensuring that health, safety and wellbeing is a core value in their daily work is essential to achieve the objectives proposed in this area and guarantee safe and healthy work environments.

FREQUENCY RATE
-63.6%
compared to 2021

HOURS OF HEALTH AND SAFETY TRAINING
335,763
million since 2015

LEADERSHIP ACTIVITIES
3,329

INSPECTIONS AND AUDITS
68,132

At the end of 2019, Ferrovial's Board of Directors approved its 2020-2024 Health, Safety and Wellbeing Strategy, which is implemented through annual plans and focused on four strategic elements: leadership, competence, resilience and engagement. By 2022, the plan establishes for each pillar:

LEADERSHIP

Objective: workers inspire, care for and are rigorous in complying with health, safety and wellbeing measures.

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 reorient their leadership, how they approach and enforce it. In 2022, a variety of different initiatives have been rolled out:

- Health, Safety and Wellbeing Awards: reward and recognition are central to the strategy. Therefore, under the Chairman's sponsorship, a new edition has been held, in which 241 candidatures were submitted for the three existing categories: 128 for the best leader in health, safety and wellbeing; 81 for the high-performance team; and 32 for the best innovative technical solution implemented.
- 254 health and safety "leaders" (directors and managers, not H&S staff) have implemented 3,329 leadership initiatives, 167% of the target. In addition, all members of the Management Committee and leadership team have an individual commitment to health, safety and wellbeing by 2022.
- The company has continued with Executive Incident Reviews for high potential events and learning from them, taking the needed actions.

COMPETENCY

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

The "License to Operate" program launched in 2020, which aims to identify critical health, safety and wellbeing positions, for which a series of specific competencies are defined in order to be able to perform these roles continues to operate. To reinforce this initiative, the Safety Leadership for Supervisors and Managers (SLSM) program was launched in 2022, in collaboration with Safety Futures, focus on training safety leaders, giving them with the tools to supervise safety, qualifying them to influence, advise, guide, direct and manage, and enabling them to develop basic leadership and safety management skills. This enables front-line leaders to understand, communicate and drive health, safety and wellbeing at Ferrovial.

The program is aimed at developing five core capabilities: involving people and teams, collaborative work planning, working safely in risky situations, supervising and leading, and facilitating learning through 12 missions divided into 3 sections: human performance in action, supervision in practice and personal capstone project.

RESILIENCE

Objective: Ferrovial is prepared to protect its employees, stakeholders and divisions in adverse circumstances.

Ferrovial continues to focus on High Potential Events, events with the potential to have caused a fatal or catastrophic accident but which have been avoided. All of them are reported and analyzed weekly by the Management Committee, carrying out an Executive Review of each one of them, extracting lessons learned. The following stand out:

- Continue with planned vs. actual initiative to increase employee engagement.
- Roll out the Safety Leadership Program for Supervisors and Managers.
- Safety campaigns.
- Critical control toolkits.

On the other hand, the current indicators have also continued to be monitored. In 2022, 68,132 inspections and audits were carried out and 335,763 hours of health and safety training were provided. Thanks to the improvement actions implemented and the commitment of all employees, the frequency rate of accidents has decreased by 63.6% compared to last year.

COMMITMENT

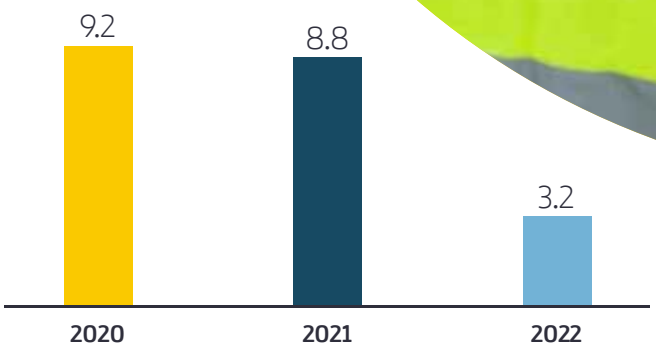
Objective: to generate a learning environment that promotes knowledge sharing, innovation and effective communication.

To make the strategy effective, each employee must play a relevant role. Therefore, each employee is inspired, motivated and empowered to make a difference and create safer workplaces. In 2022, the following initiatives have been launched under this pillar of the strategy:



Workers on site for the railway network tunnelling, Murcia, Spain.

FREQUENCY RATE



II Health, Safety and Wellbeing Week

Continuing with ASAR culture "Always Safe, Always Ready", launched in 2021, the focus has been on the commitment of leadership team, middle management and supervisors with frontline workers in the II Health, Safety and Wellbeing Week, with the claim "I'm in".

Various initiatives were held, such as visits by leaders to construction sites, the "I'm in" campaign, a corporate calendar with a health, safety and wellbeing theme, the ASAR recognition program and various wellbeing activities.

More than 130 posts, close to 71,000 views and more than 2,000 interactions were shared on the internal channel and 41 posts, around 49,200 views and 5,000 interactions on Ferrovial's social media channels.

- **II Ferrovial Health, Safety and Wellbeing Week**, sponsored by the Chairman and supported by the CEO. Continuing with "Always Safe, Always Ready" culture launched last year, with a focus on leadership team, middle management and supervisors' engagement with the front-line workers with the claim "I'm in".
- **Employee health and wellbeing:**
  - HASAVI's health and wellbeing program has been redefined and launched United Heroes, a wellbeing platform where all employees have access to various materials related to physical activity, emotional wellbeing, nutrition and other health and wellness topics.
  - Global Network of Wellness Ambassadors: more than 90 employee volunteers around the world to communicate, identify needs, find solutions, and launch and promote specific initiatives related to health and wellbeing at the local level.
  - Different initiatives and actions related to mental health, cancer prevention, obesity prevention and cardiovascular disease prevention.

COMMITMENT TO INNOVATION

For Ferrovial, innovation is a lever for change to improve Health, Safety and Wellbeing performance. The work started in 2018 on the Safety Lab has continued, to turn it into a tool that provides solutions to the challenges faced by workers on a day-to-day basis and in all work centers.

Innovation applied to safety

Ferrovial has a SHWIL (Safety, Health and Wellbeing Innovation Lab) program, whose mission is to help, through innovation and exploration of the latest technologies, to improve the health, safety and wellbeing of employees and all other agents affected by Ferrovial's operations.

SHWIL includes Safework Man-Machine Interaction, which aims to prevent accidents when workers unintentionally interfere or interact with machinery on site. By means of devices installed on the worker's clothing or helmet, the locator notifies the pedestrian that he or she is within a risk zone and, at the same time, also activates an alarm that notifies the machine operator that the worker is nearby. This significantly reduces the risk of being run over and helps increase worker awareness by having them instinctively maintain a safe distance from the machinery.

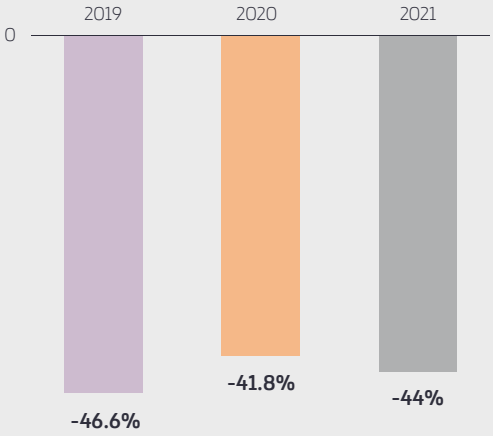
Webber has pioneered the implementation of this solution with positive results, and it is currently being tested on two different sites within Ferrovial Construction.

HEALTH, SAFETY AND WELLBEING

Road safety: priority nº 1

Road safety on the toll roads managed by Cintra is the company's number one priority. The data shows that its assets have a 40% better road safety rate than those of alternative or similar networks. This criterion is combined with the good level of service, which provides reliability in the time required to complete the trips.

COMPARISON WITH SIMILAR NETWORK*



DEFINITION

The percentage difference between the average crash rate of Cintra's network and the crash rate of an alternative or similar network for the comparable period.

CALCULATION

The KPI is calculated for each Cintra asset by dividing the number of accidents per 100 million vehicle miles traveled in the US, and 100 million kilometers traveled for all others.

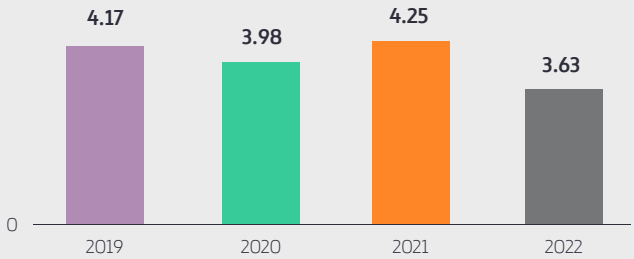
*Information published until 2021 due to availability of public data sources.

SERIOUS ACCIDENT RATE*

DEFINITION

The number of road crashes with injured people (requiring transportation by emergency medical services) and/or fatalities per 100 million vehicle kilometers travelled.

*Accident Rate (injured people and/or fatalities) per 100M VKT.







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

THE ENVIRONMENT

Roadmap to decarbonization

Ferrovial's Climate Strategy, integrated into the Horizon 24 Strategic Plan, is aligned with the Sustainable Development Goals. In order to meet the objectives of the Paris Agreement and the 2030 Agenda, the company has a decarbonization roadmap and includes ambitious emission reduction targets.

Ferrovial is developing new business lines aimed at achieving the decarbonization of the economy and providing solutions to adapt to the effects of climate change.

REDUCTION OF GHG EMISSIONS
25.35%
in relative terms compared to 2009

ELECTRICITY CONSUMED FROM RENEWABLE SOURCES
70%
target of 100% by 2025

CLIMATE STRATEGY

The company has a decarbonization plan, Deep Decarbonization Path (excluding services activity), which establishes the roadmap for achieving the 2030 emissions reduction target and is structured along four main lines:

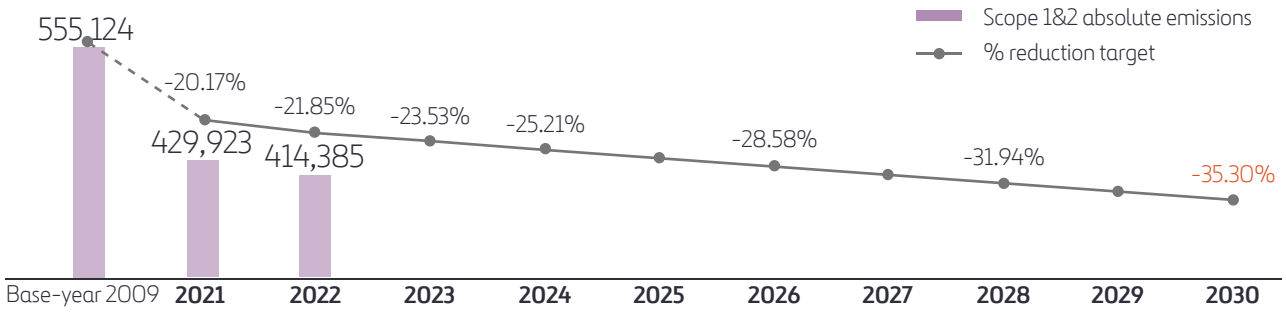
- Target of 100% consumption of electricity from renewable sources by 2025.
- Achieving 33% of emission reduction from fleet vehicles by 2030.
- 20% reduction in emissions through energy efficiency in asphalt plants.
- 10% reduction in emissions associated with construction machinery through the implementation of energy efficiency measures.

Ferrovial was the first company in its sector worldwide to establish and have its emissions reduction targets endorsed by the Science Based Targets initiative (SBTi). The company has set the following targets:

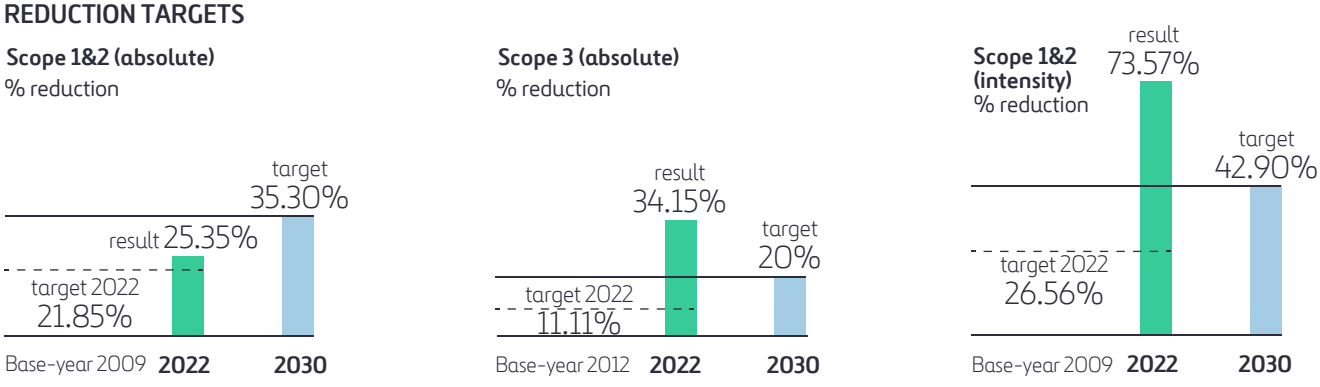
- Reduce Scope 1&2 emissions in absolute terms by 35.3% in 2030 (base year 2009)[1].
- Reduce Scope 1&2 emissions in relative terms ($tCO_2e/M€$) by 42.9% in 2030 (base year 2009)
- Reduce Scope 3 emissions in absolute terms (excluding capital goods and purchased goods & services categories) by 20% in 2030 (base year 2012).

Ferrovial actively participates in the public projects developed by SBTi, contributing technical knowledge of its sector. The climate strategy and the greenhouse gas emissions reduction plan are put to a consultative vote at the annual General Shareholders' Meeting.

SCOPE 1&2 ABSOLUTE EMISSION REDUCTION TARGETS



REDUCTION TARGETS



1 The Deep Decarbonization Path, Ferrovial's strategic plan sets a target of 35.3% Scope 1&2 emissions reduction in absolute terms, more ambitious than the 32% that the SBTi initiative had approved.

Carbon Footprint

Since 2009, the company calculates and reports the carbon footprint for 100% of its activities under the operational control approach as an organizational boundary. The calculation methodology is mainly based on GHG Protocol (WRI&WBCSD), while maintaining compliance with ISO 14064-1. The emissions reported are as follows:

Scope 1[2]: those from sources owned or controlled by the company. They come mainly from the combustion of fuels in stationary equipment (boilers, furnaces, turbines, etc.) to produce electricity, heat or steam; fuel consumption in fleet vehicles owned or controlled by the company; diffuse emissions, those not associated with a specific source, such as biogas emissions from landfills; and channeled emissions, GHG emissions generated through a source, excluding those from fuel combustion.

Scope 2[3]: emissions generated as a result of the consumption of electricity purchased from other companies that produce or control it. The GHG Protocol Scope 2 Guidance standard has been followed and the emissions reported are based on the market-based method, which reflects the effort being made by the company to use and purchase renewable electricity. However, emissions are also calculated on a location-based basis (see more information in the GRI Annex).

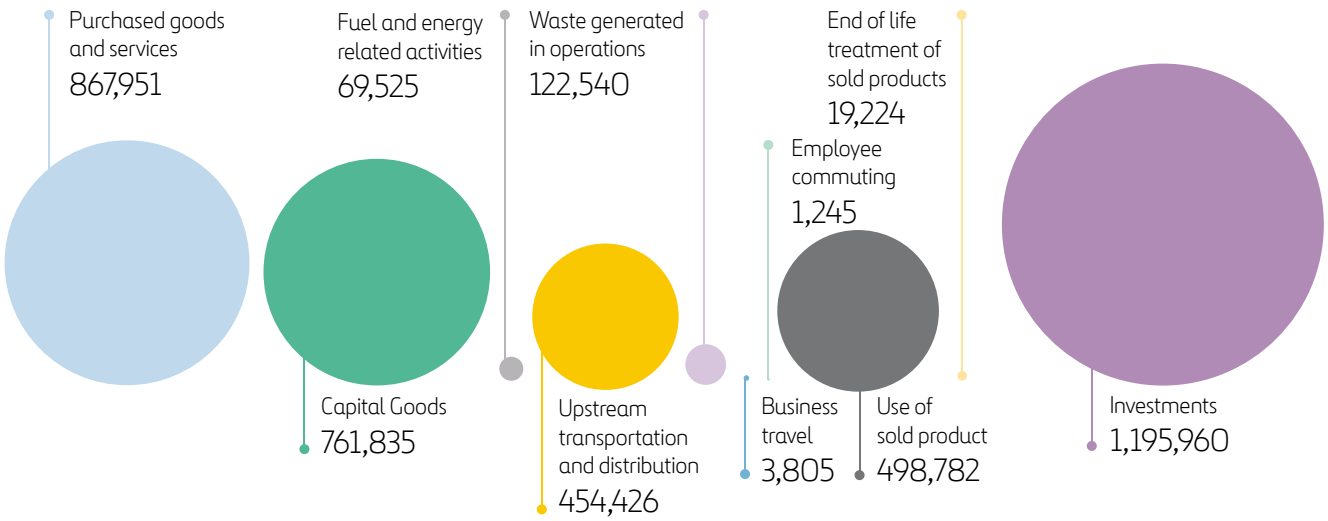
Scope 3[4]: indirect emissions occurring in the value chain. Ferrovial calculates all Scope 3 emissions following the guidelines set out in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the GHG Protocol Initiative, the WRI and the WBCSD. Categories 9, 10, 13 and 14 of this protocol do not apply to Ferrovial. More information in the GRI Indicators Annex, page 174.

Ferrovial's absolute and relative emissions during the last three years were as follows:

Absolutes emissions Scope 1 and Scope 2	2009 (base-year)	2020	2021	2022
Corporation	375	151	166	53
Toll Roads	6,593	2,586	2,353	2,918
Airports	1,296	1,296	1,296	1,296
Construction	163,232	192,541	169,735	144,998
Energy Infrastructure and Mobility	41	13	13	14
Services	252,999	239,387	225,824	232,062
Total Scope 1	**424,536**	**435,975**	**399,387**	**381,341**
Corporation	521	365	373	319
Toll Roads	20,006	1,936	1,745	1,631
Airports	7,624	7,624	7,624	7,624
Construction	88,143	29,641	20,692	22,845
Energy Infrastructure and Mobility	4	0	0	0
Services	14,291	85	102	626
Total Scope 1&2	**130,588**	**39,651**	**30,536**	**33,045**
TOTAL Scope 1+2	**555,124**	**475,626**	**429,923**	**414,385**

The emissions reflected in the table correspond to the company's carbon footprint, without including offsets.

SCOPE 3 EMISSIONS (tCO^2eq)



2 Emission factor sources: GHG Protocol. DEFRA is being used for UK operations by country requirement and EPER methodology for diffuse emissions at landfills.
3 Emission factor sources: electricity supplier. When the supplier's emission factors are not available, following GHG Protocol recommendations, the country's energy mix factors according to the International Energy Agency are used.
4 Emission factor sources: GHG Protocol, DEFRA, CEDA, International Energy Agency.



Ruta del Cacao, Antioquia, Colombia.

RELATIVE EMISSIONS

Relative emissions Scope 1+2 (tCO2 eq/M€)	2009 (base-year)	2020	2021	2022
Relative emissions (tCO2 eq/M€)	**162.36**	**72.01**	**67.48**	**42.91**

Performance 2022:

The Deep Decarbonization Path sets out the company's decarbonization guidelines. As part of this program, Ferrovial is committed to the implementation of energy efficiency measures and the purchase of electricity from renewable sources, to the detriment of fossil fuel consumption.

In 2022, Scope 1&2 emissions have been reduced by 25.35% in absolute terms and 73.57% in intensity compared to the base year. The reductions achieved were well above the targets set for the year, which means that we are meeting the roadmap established by the company. This year, 70% of the electricity consumed was of renewable origin.

Offset

Ferrovial, in its commitment to decarbonization, contemplates voluntary compensation of 100% of direct emissions not reduced by 2050 through nature-based projects and mitigation beyond the value chain.

The Ministry for Ecological Transition and the Demographic Challenge has awarded Ferrovial the highest recognition achieved for its work for "Calculate", "Reduce" and "Compensate". This was thanks to the Compensa project, carried out in Torremocha de Jarama (Madrid), which seeks to recover the vegetation of an agricultural area lacking trees, converting it into a CO_2 absorption forest. With its development, an area of 7.7 hectares has been reforested in the last three years with a total of more than 4,000 trees that will absorb about 2,000 tons of CO_2 over the next 50 years.

Likewise, through the Electricity Generation project, based on Wind Energy in Gujarat (India), up to 10% of the emissions emitted will be progressively offset over the next four years.

By 2022, 4% of emissions have been offset as part of the reduction commitment.

Risks and opportunities related to climate change

Ferrovial incorporates the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) in its process of identifying, analyzing and managing risks and opportunities related to climate change, as well as in its Integrated Annual Report.

The company periodically performs an assessment and quantification of risks and opportunities in all its businesses and geographies in different time horizons: short term (2025), medium term (2030) and long term (2050). The methodology includes transition scenarios, focused on the degree of implementation of climate change policies, presented annually by the International Energy Agency in the World Energy Outlook, as well as physical scenarios that include various GHG emissions concentration cases and their physical impacts on the climate, analyzed by experts from the Intergovernmental Panel on Climate Change (IPCC).

	Climate scenarios	Climate risks
Transition risks	**Transition scenarios:** • Stated Policies Scenario (STEPS). • Announced Pledges Scenario (APS). • NetZero by 2050 Scenario (NZE).	• Increase in the cost of energy, both fossil fuels and electricity, and other raw materials specific to each activity. • Change in customer behavior users' transportation modes. • Imposition of carbon price mechanisms that could tax emissions produced by the development of the activity. • New regulations limiting the use of certain modes of transportation, which would have a significant impact on the use of the infrastructure operated by the company. • Increased investor concern about the company's environmental performance and impact.
Physical risks	**Physical scenarios:** • RCP 4.5 • RCP 8.5	• Temperature: variation in types and patterns, extreme waves and forest fires. • Water: variations in precipitation types and patterns, floods, heavy rainfall. • Wind: cyclone, hurricane and storms. • Solid mass: landslides.



Caser Elderly Residence in Majadahonda, Majadahonda, Spain.

In the risk analysis performed, the methodology used takes into account the duration of the contract and the company's role in it. This means that in those projects in which Ferrovial only participates in the construction phase of the infrastructure, the risks and, therefore, their financial impact are lower than in those in which it is involved throughout the useful life of the infrastructure.

The risks identified may have an impact related to increased operational costs, increased investment, reduced profits, loss of share value or damage to infrastructure, and their magnitude will depend on the climate scenario analyzed, its location, type of project and time horizon. In response to these impacts, the group has implemented a battery of mitigation and adaptation measures.

Mitigation measures

- Development and implementation of the Deep Decarbonization Path, internal emissions reduction plan.
- Shadow Carbon Pricing: design and application of internal carbon pricing mechanisms for new investments.
- Consideration of raw material and energy price increases in contract negotiations.
- Search for innovative technological solutions to reduce energy consumption and emissions.
- Study and collaboration with key stakeholders for the development of projects that favor the transition to a low-carbon economy.

Adaptation measures

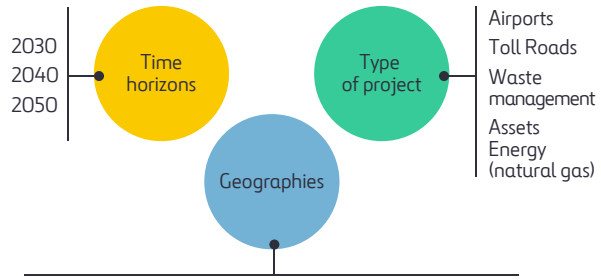
- ADAPTARE: development of a methodology and tool for the identification and analysis of physical climate risks that considers the climate projections foreseen by the IPCC in the short, medium and long term in the projects.
- Definition and implementation of an adaptation program that includes specific measures for each project, from design to operation.
- Contracting of insurance coverage for physical damage to infrastructures.

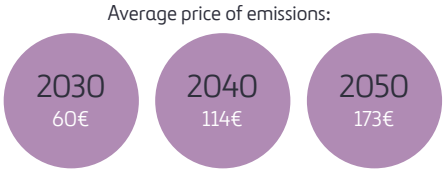
Main opportunities related to climate change

Mobility	Water	Energy	Infrastructure
Innovative solutions to mitigate emissions associated with mobility that consider connectivity between infrastructures, vehicles and users, vehicle sharing and the electrification of transportation, reducing congestion and pollution in cities. • **Managed lanes:** mobility service offered in congested urban corridors. The dynamic fare structure alleviates traffic and reduces relative emissions. • **AIVIA:** consortium led by Ferrovial whose objective is to develop, test and implement technological solutions for safer, more comfortable and interconnected sustainable digital corridors through technologies such as 5G or Artificial Intelligence, improving traffic congestion and reducing relative emissions. • **Vertipuertos:** design, construction and operation of the infrastructures required by eVTOL vehicles. • **Zity:** zero-emission carsharing that reduces traffic and induces less private vehicle ownership.	Cadagua helps to solve the effects of climate change on water resources, orienting its business to the design, construction, operation and maintenance of water treatment facilities, favoring the availability of the resource in the natural environment and for human consumption. • **Wastewater treatment plants (WWTP):** purification at both industrial and urban facilities to ensure the supply of drinking water, protect the environment and prevent pollution. • **Drinking water treatment plants (DWTP):** water purification through various processes that treat surface water or groundwater to obtain water. • **Seawater desalination plants:** desalination is a solution to supply challenges, especially in water-stressed areas.	Comprehensive solutions for the development, construction and management of energy infrastructures, as well as energy management services. • **Energy efficiency services:** energy efficiency services for constant savings and continuous improvement of facilities, reducing energy consumption and emissions. • **Construction and maintenance of renewable energy infrastructures:** highly technical engineering, construction, installation and electrical maintenance services for the renewable energy sectors. • **PPA development and exploitation:** Power Purchase Agreement (PPA) projects for long-term clean energy generation. • **Power transmission lines:** integrated solutions for the development and management of power transmission networks. • **Building renovation:** transformation of buildings incorporating construction solutions to reduce energy demand and facilitate the use of renewable energies.	Ferrovial provides new opportunities for the development of sustainable and resilient infrastructures that offer solutions to adapt to climate change. **ADAPTARE** The organization, in collaboration with an expert from the IPCC (Intergovernmental Panel on Climate Change), has developed a methodology to identify, analyze and assess the physical risks related to climate change and propose adaptation measures to mitigate the impacts they can cause on infrastructures. This methodology is applied to the different types of projects that the company develops and operates around the world. The analysis is carried out in the short, medium and long term under different climate scenarios. It takes into account the risk framework defined by the IPCC, as well as the adaptation criteria set out in the EU Taxonomy Regulation. ADAPTARE automates this methodology and facilitates the analysis and interpretation for project managers and developers.

Shadow Carbon Pricing

The company applies a methodology to economically quantify the potential climate risk of its most relevant investments in the Shadow Carbon Pricing modality with the aim of considering this impact in new investments. The tool considers the direct and indirect emissions of each project in its entirety, applying variable prices per ton of carbon for different time horizons, geographies and types of infrastructure. In 2022, carbon prices have been updated and geographies have been expanded.





BIODIVERSITY

Ferrovial recognizes the key role played by biodiversity in the provision of services that support the economy and social welfare. For this reason, it has a recently approved Biodiversity Policy, integrated into the management system that governs the organizational and operational processes of all its contracts. This policy articulates the organization's principles on:

- Conservation and protection of species and natural ecosystems.
- Application of hierarchy criteria to mitigate negative impacts.
- Responsible use of natural resources.
- Combating deforestation.
- Application of nature-based solutions.
- Integration of natural capital in risk management.

The company has various mechanisms in place to facilitate compliance with these principles: some are mandatory (environmental impact statements and other legal requirements) and others are voluntary (environmental management system in accordance with the ISO 14001 standard and the internal tool for calculating the natural capital debt called INCA, whose methodology is aligned with the Natural Capital Protocol standard).

Additionally, in order to promote these principles among its collaborators and beyond its value chain, the organization participates in working groups on this matter with the Ministry for Ecological Transition and the Demographic Challenge (Fundación Biodiversidad) and other groups in Europe (Green Growth Group) promoting initiatives for the protection and conservation of biodiversity and ecosystems. It has also participated in the public consultation on the development of the GHG Protocol Land sector and removals guidance standard.

CIRCULAR ECONOMY

The circular economy aims to keep the value of products, materials and resources in the economy for as long as possible, optimizing the consumption of materials and minimizing waste generation. It is also a solution to a problem that directly impacts the deterioration of the environment and allows us to identify new business opportunities.

For this reason, during 2022 Ferrovial has launched its Circular Economy Plan, presented to the Board of Directors. Its main lines are:

- Promote the reuse and recycling of waste, prioritizing the minimization and recovery of waste. An annual target of 80% reuse of soils has been established, as well as 70% reuse of construction and demolition waste (CDW). In turn, the water treatment plants are committed to the valorization of sewage sludge with an annual target of 80% of the sludge generated for agricultural use, composting or thermal drying.
- Promote an efficient use of resources by applying circularity criteria, as well as the use of recycled materials, either by reusing or recycling materials in activities or by managing the supply chain to acquire materials with recycled content.
- Reducing the environmental impact of the company's activities. To this end, the company is working to adopt the principles of the circular economy in all processes, products and services.

EU Taxonomy

During 2022, in order to comply with the EU Taxonomy Regulation and respond to the alignment calculation requirement, more than 800 contracts encompassed in 28 taxonomic activities have been classified.

To this end, over the last 12 months Ferrovial has analyzed the technical criteria of the taxonomy at activity level, working in different groups according to the type of contract. As a result of these working groups, more than 500 people have been trained to analyze all contracts in force during the year.

Likewise, management systems have been adapted at contract level to meet taxonomy compliance and areas for improvement have been identified in order to meet taxonomy requirements from an early stage. In addition, the necessary tools have been incorporated into the accounting systems so that the systems can obtain the information related to taxonomy automatically.

As a result of the efforts made by the company, all stakeholders are offered reliable, traceable taxonomic information adapted to regulatory requirements. During this year, work has been carried out at sector level on the analysis of technical criteria in order to have a common language.



Los Vados WWTP, Granada, Spain.

WATER FOOTPRINT

Water is one of the environmental resources that has suffered the greatest impact in recent years, with effects derived from climate change such as water stress, deterioration of water quality due to contamination, as well as a growing demand for drinking water.

Ferrovial's Water Policy recognizes water as a limited and irreplaceable natural resource and its access as a fundamental human right. In order to manage the resource positively, the focus is on its availability, quality and impact on ecosystems.

Ferrovial has developed a methodology for calculating its water footprint that quantifies the impact of the company's activities on this resource. It takes into account the following aspects:

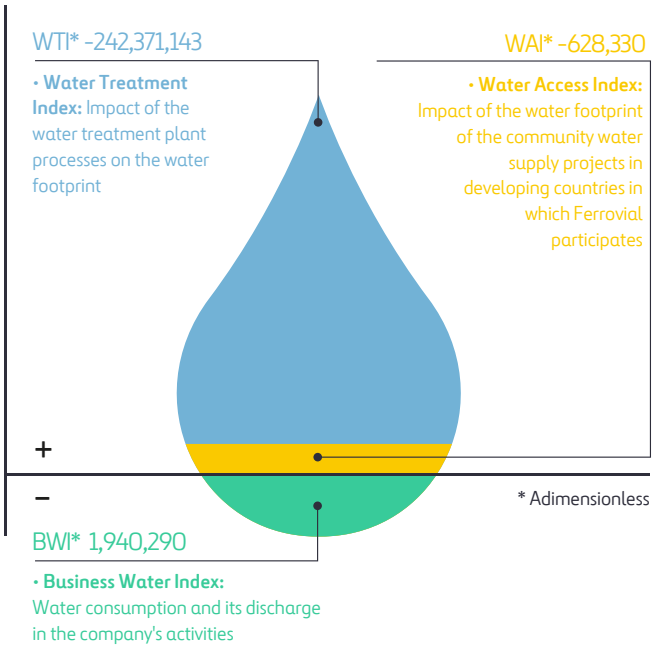
- The source of water catchment, giving different weights depending on its origin.
- The country's water stress.
- The destination of discharges and their quality depending on the treatment they have received.

The methodology measures the impact of water consumption and discharges from the company's activities (Business Water Index - BWI). For this index, a target has been set to achieve a 20% reduction by 2030, compared to 2017. In 2022, a reduction of 29.7% was obtained compared to 2017 (-7.8% vs. 2021).

In addition, water treatment activities together with social action projects (projects aimed at improving access to water and sanitation in vulnerable communities) define two indexes that offset the negative impact: Water Treatment Index (WTI) and Water Access Index (WAI), respectively. To ensure this positive contribution, Ferrovial aims to offset 70 times the BWI annually (WTI + WAI > 70 BWI). In 2022, the BWI has been offset 125 times (117 times in 2021).

Ferrovial plays a key role in water management, contributing to solving the main challenges of water supply, quality, sanitation and pollution, especially in areas with water scarcity. The company is working on the implementation of more appropriate treatments to eliminate contaminants of emerging concern, as well as antibiotic-resistant bacteria. This management is an effective tool in the fight against climate change, as well as a sign of our commitment to society.

WATER FOOTPRINT 2022 PERFORMANCE



POSITIVE CONTRIBUTION

The water treatment activity together with the social action projects help to offset the impact of water consumption and discharges needed and generated by the business units.

Note: 2021 data were as follows: WTI: -244,464,703; WAI: -624,387; BWI: 2,103,657

Progress in supply chain environmental management

Ferrovial shares information with its key suppliers through the environmental management system implemented in its activities in order to promote better management and performance of its supply chain. In this regard, in 2022, work has been carried out along two lines:

- Development of an internal purchasing guide containing environmental guidelines on material procurement specifications, aligned with the EU Taxonomy Regulation.

- Launching of a collaboration program with suppliers to learn about and improve their environmental management. In a first phase, this engagement campaign is focused on gathering information on the impact of its products in terms of carbon footprint and circular economy, as well as providing training material.

DIGITALIZATION AND INNOVATION

Infraverse, Ferrovial's metaverse for infrastructures

The metaverse has come into our lives. Ferrovial wanted to take a step forward in the industry with the creation of its Infraverse, dedicated to infrastructures. Infraverse is developed in an open ecosystem to maximize the number of advanced technologies with immersive and interactive environments. This allows Ferrovial to drive a new generation of sustainable and efficient transport infrastructures, achieving advanced operational capabilities throughout the asset lifecycle.

REAL-WORLD SIMULATIONS

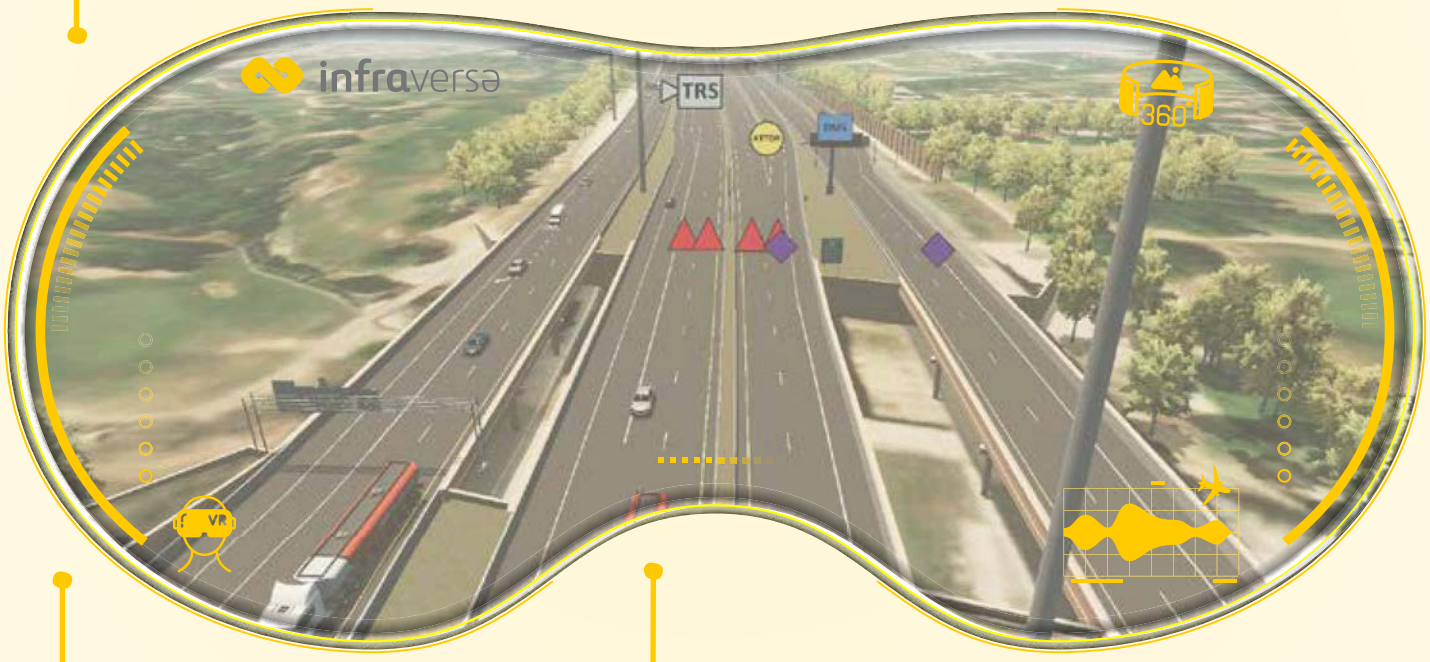
The use of Digital Twins allows to simulate, predict and reproduce digital representations of real-world infrastructures like traffic or weather. It provides digital representation throughout the construction, operation and maintenance phases.

BUSINESS APPLICATIONS

Infraverse provides operational improvements in design reviews and on-site decision making. It also improves services and user experience, as well as employee health and safety.

LABS NETWORK

Infraverse has a network of labs, physical spaces where hardware and software are available, key to experiencing immersive infrastructure. There are currently Labs in Madrid and London and there are plans to expand in the near future.



METAVERSE TECHNOLOGIES, OPEN ECOSYSTEM

TECHNOLOGIES

- AR and VR
- Digital Twins
- Internet of Things
- 5G
- Artificial Intelligence
- Blockchain

FEATURES

- Cloud technologies to create virtual environments
- Multiple technologies to ensure interoperability
- Sensation of presence
- Interaction through seamless interfaces
- Lab spaces to provide "a window" on the Infraverse

VALUE USES CASES IMPLEMENTED

EFFICIENT OPERATIONS

- Teleoperations
- HUB for remote operations
- Reduce risk on complex or isolated areas
- Validating designs based on O&M impact
- 3D model design review

HUMAN IN THE LOOP

- Communities immersive experience of infrastructure
- Simulate traffic conditions
- Behavioural science

SUSTAINABILITY

- Bringing together global teams
- Reducing travel time and cost
- Remote collaboration and connectivity
- Remote assistance

SAFETY

- VR training for Health & Safety
- Reducing hazard exposure

DIGITAL TWINS

- Infrastructure simulation, Airports
- Advance simulation, connectivity networks

DIGITALIZATION AND INNOVATION

Transforming the company

Ferrovial develops innovative digital solutions that connect and transform the company, generating value and enabling new business opportunities. In order to meet these challenges, Ferrovial invests significantly in technology.

INVESTMENT IN R&D&I
74.8
million euros

PROJECTS DEVELOPED IN R&D&I
136

PROJECTS WITH STARTUPS
42

NEW APPLIED TECHNOLOGIES
21

DIGITAL PRODUCTS
+15

In 2022, the implementation of Digital Horizon 24 plan was accelerated, designed to strengthen the company's innovation and digitalization, and which play a fundamental role in its transformation process. Among the main challenges of the plan is to determine how to respond to Ferrovial's transformation needs and orient innovative activity to meet them.

With the aim of strengthening the business through digitalization, and supporting transformation and future growth, the company focuses on automation, efficiency, competitiveness, agility, capture and effective use of data, while fostering an entrepreneurial and digital culture.

In this sense, enhancing transversal capabilities, such as the contextualized use of data, cybersecurity, the use of platforms, business alliances or the review of processes is key in the company's digitalization process.

As part of the Journey to Cloud global program that will channel all initiatives in the transformation of Ferrovial's digital ecosystem, work is being done to modernize native platforms to improve their interface, automate processes, mitigate risks and eliminate obsolescence or reduce time-to-market.

IMPACT-ORIENTED DIGITAL TRANSFORMATION

Digital transformation is materialized in a results-oriented management, measured through a new digital portfolio management tool that unifies all technology and innovation initiatives. Transformation impacts are quantified through value levers, the result of all crosscutting or specific initiatives carried out in each business:

- Digital Construction, supported by the Abacus program and centered on the digitalization of site management and administration processes.
- Digital Concession, with a focus on the end user as a lever for differentiation and value creation and also diversification into new businesses such as energy, water or mobility.
- Digital Corporation, to digitalize processes such as finance and control and human resources.

INNOVATION STRATEGY

Ferrovial's innovative activity develops competitive advantages and guarantees a sustainable impact by transforming the business and generating new products and services through exploration and experimentation with new technologies. It is a process that begins with the definition of the priorities of the business units, with the main objective of obtaining competitive advantages.

To ensure a sustainable impact aligned with Digital Horizon 24, Ferrovial has established a new Innovation Strategy 2022-24 focused on generating impact on the following areas:

Competitive Advantages

By means of operational efficiency and risk management, the innovative activity drives and develops the implementation of new products and processes that generate a greater quality service to its customers.

In 2022, INFRAVERSE, an initiative for the efficient use of the technologies that make up the metaverse, was launched. The aim is to improve construction and operation processes, providing a better response to customer needs.

On the other hand, the deployment of digital capabilities and tools has enabled the optimization of design and management processes for new infrastructures. These are solutions that analyze demand by simulating variables that allow us to identify each business opportunity, considering value and risk variables. Additionally, new generative and parametric design techniques have been explored and implemented, allowing to obtain a better approximation of the design of the transportation and/or energy infrastructure in a more efficient approach.

Likewise, the implementation and use of digital tools in the operation, such as the transversal asset management tool, enables a better overall understanding of the performance and functionality of the assets. By complementing this tool with simulation capabilities in digital twin environments, cloud and data platforms, Ferrovial is able to optimize performance throughout the entire infrastructure lifecycle.

DIGITALIZATION AND INNOVATION

Innovation: leading transformation and emissions reduction

Innovation is an essential component not only of the Horizon 24 strategic plan, but also of Ferrovial's mission and values. This year several projects all along the value chain have been scaled: efficient asset management and improved digital and user-centered solutions focusing on competitiveness, health and safety and emission reductions.

COMPETITIVENESS

Carbon Management Solution

Digital platform for quantifying carbon emissions in the different stages of infrastructure projects, enabling the control and reduction of emissions.

Low Carbon Concrete

Ferrovial Construction is leading this project to analyze and test innovative concrete solutions. The project -which consist of the optimization, cement replacement, zero emissions and circular economy phases- are carried out on Ferrovial Construction sites.

RISK MANAGEMENT



EFFICIENCY

VR Training Simulator

This simulator incorporates virtual reality technology for health and safety training. It allows an exposure to risk situations that can be arise in the workplace.

Asset Management Platform

Asset management platform (roads, railroads, energy infrastructure, water treatment plants). The solution is integrated with BIM modeling tools, allowing data management throughout the lifecycle of a project.

Smartformwork

Intelligent formwork system that enables real-time control of pressure and temperature, facilitating the optimization of work cycles and achieving greater safety in the concreting process. This is a further step in the commitment to the digitization of construction sites.

DIVERSIFICATION

Vertiports Design Challenge

Ferrovial and AECOM have developed a platform to design new ideas and concepts for vertiports. Different teams compete in the search for the best solutions.

NextPass by NextMove

Nextpass is the first digital mobility product from Nextmove, the new digital hub of Cintra US. Launched on the opening day of Ferrovial's I66-Outside the Beltway in Virginia, Nextpass is the mobile app for iPhone and Android that allows payment on any toll road, bridge, tunnel or express lane in the state of Virginia, without the need for a transponder or toll tag (more info at www.nextpass.io).

TRANSFORMATION

Demand Analysis

A set of projects aimed at incorporating different data sources (mobility, demographics, noise, pollution) in the analysis and characterization of demand models during the early stages of an infrastructure project.

Infraverse

Virtual reality tool that tests real driver reactions, without interrupting traffic, modeling the psychological impact that slight changes in infrastructure can have on their decision making. It will provide valuable data before executing any changes in toll roads operations.

Finally, sustainability, considered as one of its main pillars for the creation of higher quality and resilient infrastructures, has led to the implementation of a work program with low carbon footprint materials that aims to identify and standardize the use of more sustainable materials.

Transformation

In an increasingly changing world, Ferrovial relies on transformation as a key lever to adapt to the constantly evolving demands of the market and its customers. In innovation, business transformation is managed in the centers of excellence, knowledge centers in three critical areas: mobility, asset management and energy and sustainability.

During 2022, the Energy and Sustainability Center of Excellence was launched to directly support the recently created energy business unit. Projects such as Ikongreen and the carbon footprint measurement tool have been developed within this center.

In parallel, Ferrovial promotes the industrialization of the entire construction process by synchronizing the production and assembly of components with the supply chain and logistics planning. To this end, it works on projects that provide modular construction capabilities, automation, robotization, teleoperation and 5G connectivity. Thanks to projects such as AIVIA, it drives the adaptation of its infrastructures to contexts such as those of connected and autonomous mobility.

Continuing to transform Ferrovial's business is a transversal task that is approached from a global and comprehensive perspective at all stages of the infrastructure lifecycle.

Diversification and growth

By launching new adjacent businesses, and taking advantage of Ferrovial's internal capabilities and knowledge, the company's businesses are diversified. For this reason, in 2022 the venture-building process was created to develop and launch business ideas.

The creation of new products and services will continue to increase the value generated for the client, providing new digital channels and additional sources of income. In this context, Ferrovial has launched NextPass, a payment application for Managed Lanes, a new personalized tolling method.

OPEN INNOVATION ECOSYSTEM

Ferrovial has been promoting and increasing its open innovation ecosystem and network of alliances for years. This ecosystem is made up of five agents that nurture, strengthen and complement Ferrovial's knowledge, capabilities and talent.

The first of these agents is the relationship with **universities and research centers.** It is worth noting the research collaboration with the Massachusetts Institute of Technology (MIT) through the energy initiative (MITEI), renewed in 2021 for a third five-year period, and through the MIT Mobility Initiative (MMI), which Ferrovial has joined in 2022 as a founding member. The aim of the latter agreement is to contribute to the design of a mobility system that is sustainable, safe, clean and inclusive.

Startups and Venture Capital funds are the second and third key players. During 2022, the successful relationship with the brightest entrepreneurs in the major global innovation hubs in the United States, Europe and Israel has continued to connect them with the organization and accelerate the innovation process. In this regard, the company is always open to test the most disruptive technologies and business models in its infrastructures and prove their validity in a real environment.

In relation to Venture Capital funds, Ferrovial has expanded its investment strategy by acquiring stakes in specialized venture capital funds whose investment strategy focuses on construction, energy and mobility. This is the case of Atómico, a benchmark venture capital fund in Europe, in which Ferrovial continues to be one of the participating corporate partners.

The fourth agent is the **Public Innovation Agencies**, which are responsible for establishing industrial policy, mainly by facilitating access to public funding. These programs, of different types, are supported both by the Spanish Recovery and Resilience Plan (NextGenEU) and European initiatives linked to the EU Community Framework (2021-2027), with instruments such as Horizon Europe, LIFE or specific thematic vehicles such as the Climate KIC, EIT Digital, EIT Urban Mobility or InnoEnergy, in addition to their counterparts in the United States. Ferrovial has a portfolio of initiatives aimed at deploying smart and resilient infrastructures to improve the energy efficiency and sustainability of the territory.

Collaboration with **large corporations** is the fifth agent. The aim is to seek synergies, complementing knowledge capabilities and sharing best practices in innovation management. In this area, Ferrovial's **internal talent** stands out, enabling it to leverage its own intellectual capital to devise and market projects in the most efficient way, favoring collaboration among employees.

ATLAS, the unified digital portfolio tool

Ferrovial has developed ATLAS, the new digital tool that centralizes IT and innovation initiatives, from their conceptualization to the capture of their final impact on the business. In this regard, ATLAS unifies this management under the same standard and process, facilitating its alignment with the strategic plans of the different business lines and maximizing the impact they can generate.

Digitalizing and unifying management provides considerable benefits such as the homogeneity of the same process, having a single source of information, transparent collaboration between teams, as well as integration with other digital tools deployed in the company.

ATLAS has also enabled the implementation of a governance model that ensures constant communication and exchange of information between the portfolio department and the business units, facilitating the monitoring of initiatives and strategic, operational and budgetary decision-making related to Ferrovial's investment in IT and innovation.

QUALITY

Excellence in service

Ferrovial implements efficient management based on innovation and the use of new technologies, guaranteeing a unique experience for customers and users.

The Quality and Environment Policy articulates the principles that govern the company's actions to achieve the highest levels of operational and innovative excellence in the development of infrastructures and operation of sustainable services. These principles focus on the integrated management system, regulatory requirements, customer and user satisfaction and training. Thus, this policy acts as a lever to drive continuous improvement, technical capabilities and process efficiency.

INTEGRATED MANAGEMENT SYSTEM

The company has implemented an integrated management system in accordance with quality, environmental and energy criteria in all its contracts, which serves as a tool for complying with the principles defined in its policy. In 2022, certified activity reached 80% according to the ISO 9001 standard, 80% according to ISO 14001 and 69% according to ISO 50001. In addition, in some cases, services are certified under other standards due to local requirements.

As part of system management, internal audits are conducted and complaints are recorded for 100% of contracts. In 2022, 416 external complaints/communications were received, of which 83% were successfully closed.

OTHER CERTIFICATIONS

In 2020, with annual renewal, AENOR awarded Ferrovial the certification on sustainability and business contribution to the Sustainable Development Goals. This certification highlights the company's Sustainability Strategy and ESG actions, reinforcing its solid commitment to the SDGs.

Since 2010, the company has had the Madrid Excelente guarantee mark, which recognizes and certifies quality and excellence in the management of companies, with special emphasis on innovation, environmental and social sustainability and customer satisfaction.

In addition, there are other certified systems in accordance with regulations related to road safety, environment, social responsibility or collaborative business, including: UNE 19601; UNE-ISO 37001; UNE 166002; European Commission Eco-Management and Audit Scheme (EMAS) according to Regulation (EC) No. 1221/2009; BIM ISO 19650; PAS2080:2016; PAS2080: 2016 EKFB; ISO 44001; ISO 45001; EMAS III; IATF 16949; UNE 216701; UNE 1176-1:2009; UNE-EN ISO 22000:2005; UNE-EN ISO 18295-1:2018; UNE 158401:2007; UNE 179002:2011; UNE-ISO 22320: 2013; UNE 15343:2008; UNE-EN ISO 13485:2018.

LEGAL REQUIREMENTS AND TECHNICAL REGULATIONS

Ferrovial's activity requires strict regulatory compliance in relation to quality, environmental and energy legislation, both at regional and sector level. Therefore, the company has implemented external (i2i and WorldLex) and internal (DocSite) digital solutions to guarantee and facilitate the monitoring of applicable legislation and technical regulations (among others, those related to atmospheric, noise and light pollution).

All this contributes to achieving quality assurance, as well as efficient management focused on legislative compliance, mitigation of negative impacts and business risk control.

CUSTOMER AND USER SATISFACTION

Under the premise of continuous improvement, Ferrovial seeks to meet the expectations of customers and users, as well as to increase their degree of satisfaction with the services provided and products offered. To this end, Ferrovial implements an annual survey program to identify the strengths and weaknesses of the quality offered and establish improvement actions.

- **Customers**, including public administrations and private developers, value the performance of the activity in relation to reliability, trust, operational excellence, responsiveness, innovation and sustainability.
- **Users** of infrastructures and services evaluate the quality of the service offered. In addition, Ferrovial is working on the development of an innovative user satisfaction measurement program for the collection of indicators from the Airports and Energy Infrastructure and Mobility divisions that allow to have a more complete view of the user's experience of the services offered.











Roadside assistance, 407 ETR Toll Road, Toronto, Canada

DIGITALIZATION

Digitalization drives Ferrovial to lead the transformation in the infrastructure and mobility sectors, offering efficient and sustainable responses to the needs of society. Ferrovial is committed to innovation to maximize the value of assets, achieve competitive advantages and improve the experience of customers and users.
Through the use of digital technologies, it is improving processes, implementing new methodologies and modernizing products. These include initiatives such as Building Information Modeling (BIM), metaverse, Digital Twins and AIVIA.

TRAINING IN QUALITY, ENVIRONMENT AND ENERGY

Ferrovial promotes awareness and training in quality, environment and energy among its employees and collaborators, with the aim of improving their performance and skills. The Company focuses specially on waste management, climate change, water footprint, pollution and biodiversity. During 2022, more than 1,000 hours of training were provided to internal personnel, attended by more than 4,000 employees. In relation to external personnel, more than 1,800 hours were provided.

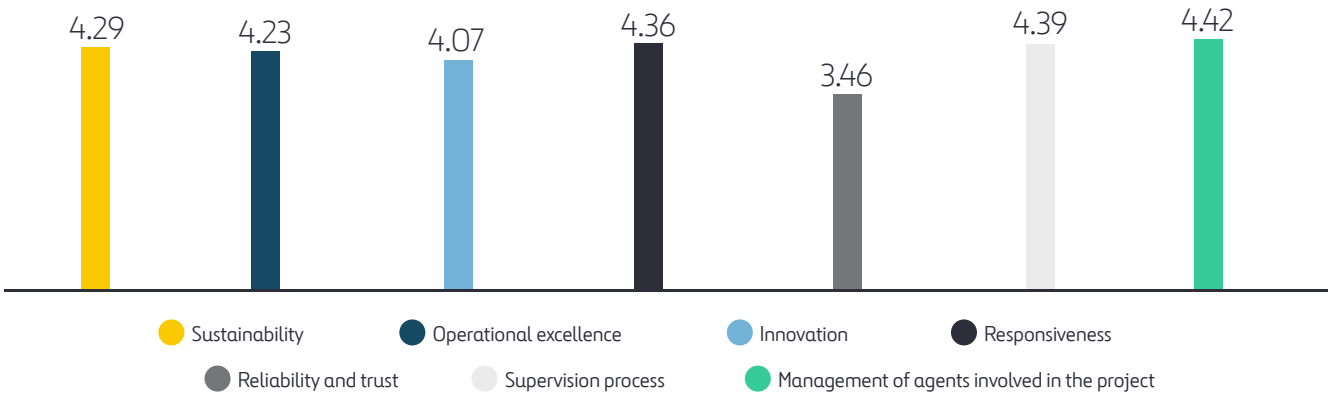
CUSTOMER SATISFACTION

2020	2021	2022
4.3	4.3	4.2

USER SATISFACTION

2020	2021	2022
4.0	4.0	4.0

CUSTOMER SATISFACTION (OUT OF 5)



INTEGRITY

Key to sustainable competitiveness

The Compliance Program, approved by the Board of Directors, aims to contribute to Ferrovial's sustainability, promoting compliance with all applicable laws and the Code of Ethics, based on an effective risk management system.

Ferrovial's growing international presence has determined the transformation of its Compliance Program in recent years, positioning it at the forefront of compliance and risk management systems.

The Compliance Program is directly supervised by the Board of Directors of Ferrovial through the Audit and Control Committee, under whose Chairman depends the Compliance and Risk Director, reporting on the progress of the program periodically to the Committee and at least every six months to the Board.

COMPLIANCE RISK PREVENTION

The Compliance Policy describes the Compliance Program, which is based on an effective risk management system. To this end, it has established a common process of evaluation, monitoring and control of compliance risks under the principle of "zero tolerance" to corruption and, in general, to the commission of criminal acts.

The Compliance Program includes a Crime Prevention Model that aims to prevent the risks of committing criminal acts, especially those involving the criminal liability of the legal entity.

In 2022, the Compliance Program certifications were renewed in accordance with the reference standards UNE 19601 "Crime Prevention System" and UNE-ISO 37001 "Anti-Bribery Management System", both obtained for the first time in 2019. Likewise, the Compliance Program includes a Tax Compliance Model certified in 2021 and revised in 2022 in accordance with UNE 19602.

TRAINING AND COMMUNICATION

Every two years, the Compliance and Risk Director submits a training and communication plan for approval by the Audit and Control Committee of the Board, and periodically evaluates its effectiveness to promote a culture of ethics and integrity and to make the entire workforce aware of the Code of Business Ethics and the policies and procedures that develop it.

In 2022, the course Compliance Boot Camp has been deployed throughout the Group, on a mandatory basis for all employees, whose objective is to review some of the policies and procedures that develop the principles contained in the Code of Ethics, in particular, the anti-corruption policy, lobbying and political contributions policy, the policy on gifts and hospitality expenses, the policy on sponsorships, patronage and donations, the policies and procedures for due diligence of third parties and the policy of the ethical channel and management of inquiries, complaints and grievances.

Likewise, training sessions on competition issues were given to employees with greater exposure to the risk of non-compliance with the antitrust laws applicable in the jurisdictions where Ferrovial operates, with the aim of providing tools to help identify and avoid practices that could be considered anti-competitive. The conference "U.S. Antitrust Law and Spanish / EU Competition Law" is worth mentioning.

ANTI-CORRUPTION POLICY

Ferrovial's Anti-Corruption Policy establishes rules for the behavior of Ferrovial employees, executives and directors, as well as third parties with whom the Group has dealings, under the principle of "zero tolerance" for any practice that could be considered corruption or bribery. The policy requires compliance with all applicable anticorruption laws and urges the reporting of any infringement thereof or of internal regulations on the matter.

Ferrovial requires behavior in accordance with the highest ethical standards from third parties with whom it has dealings. To this end, a due diligence process of ethical integrity of third parties is followed in accordance with international best practices, applying the corresponding policy or procedure in each case.

Compliance training

In 2022, the online training plan on the Code of Business Ethics and Compliance Policy (Prohibited Conduct) continued, as well as courses on anti-corruption and data protection, among others. The training volume of these courses, together with the competence courses, on the ethics channel and the Compliance Boot Camp, amounted to 5,718 hours, accumulating a total of 16,483 hours of training in the last three years. Most of these courses are included in the mandatory training plan for new recruits.

Also during 2022, communication campaigns called "Did you know?" were carried out on relevant aspects of compliance policies and two "Spotlight on ..." articles were published, highlighting the work of some employees for their collaboration in promoting Ferrovial's culture of integrity.

Ethics channel

Its purpose is to facilitate the communication of any possible irregularity, non-compliance or behavior contrary to ethics, legality and Ferrovial's internal rules. In accordance with the ethics channel and management of queries, complaints and reports, all communications derive in an investigation by the person in charge of their management, guaranteeing confidentiality, legal protection and absence of reprisals of any kind to the informants.

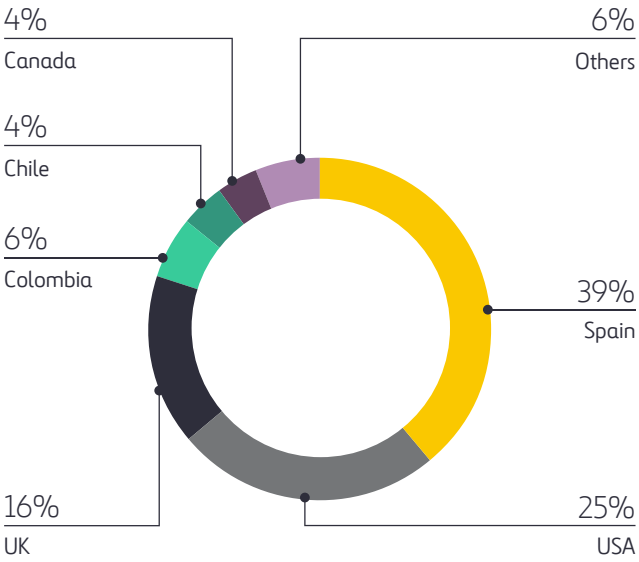
During 2022, 130 communications were received through the various communication channels (142 in 2021), of which 49 came through the Ethics Channel (85 in 2021). The number of communications received per 1,000 employees amounts to 3.78 (1.9 in 2021). Of the 130 communications received in 2022, 55% were anonymous (58% in 2021), 49% were considered substantiated (40%* in 2021) and corrective measures were agreed in 95% of cases (85%* in 2021). Disciplinary action, training and process change were the main actions taken. In 2022, Ethical channel communications have been investigated and resolved within an average of 30 days (67 in 2021). No case investigated has given rise to significant impacts for Ferrovial from a criminal, economic or reputational point of view.

Number of communications per 1,000 employees	
2021	2022
1.9	3.78

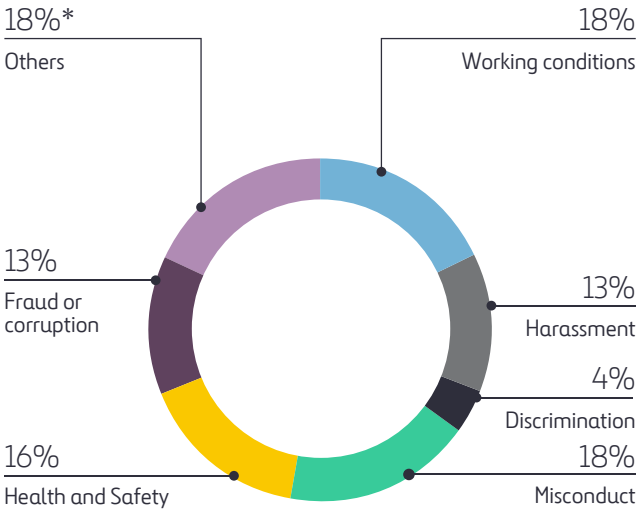
Average resolution time for communications (days)	
2021	2022
67	30

COMMUNICATIONS ETHICS CHANNEL 2022

COUNTRY OF origin



TYPE OF COMMUNICATION



* Includes cases related to the environment, requests for information, complaints from neighbors about construction site nuisances and urban planning.

CODE OF ETHICS

Ferrovial's Code of Business Ethics makes it mandatory to report any breach of legislation or internal regulations. To this end, the Ethics Channel is available, a confidential and, if requested, completely anonymous system that guarantees users the absence of reprisals. It can be accessed by telephone, mail, via the intranet or the corporate website (www.ferrovial.com). Likewise, in certain subsidiaries or areas of activity that require it due to their importance, specific communication channels have been established.

The Compliance and Risk Management is responsible for managing the Ethics Channel, with the support of Internal Audit for the analysis of high priority communications, and reports quarterly to the Audit and Control Committee and annually to the Board of Directors on the communications received and the actions taken.

During 2022, a global Compliance awareness campaign was launched in 10 countries and 290 workplaces, including posters and audiovisual resources, to reinforce knowledge of the Code of Ethics and the Ethics Channel among all Group employees.

* After the 2021 communications closure.

HUMAN RIGHTS

The most important of rights

Human rights have been placed at the basis of the functioning of society, rejecting discrimination based on race, sex, nationality, ethnicity, language or religion. Social changes require constant updating. Ferrovial has updated its Human Rights Policy in 2022, aligning it with international standards, incorporating new rights and placing its supervision in the Board of Directors.

COMMITMENT BY STAKEHOLDER GROUP



EMPLOYEES

Forced labor
Child labor
Human trafficking
Modern slavery
Digital disconnection
Sexual harassment
Right of association
Conciliation
Health and Safety
...

COMMUNITIES

Rights of local indigenous communities, minorities and vulnerable populations
Environmental protection
...

SUPPLIERS, CONTRACTORS AND PARTNERS

Due diligence procedures in selection processes
Repair and remediation of negative impacts
...

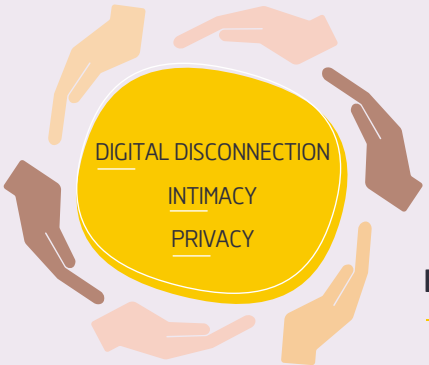
CUSTOMERS

Quality standards
Health and safety
...

PRINCIPLES

- RESPECT AND PROMOTE
- PREVENT AND MITIGATE
- REJECTION OF DISCRIMINATION
- ENSURE SAFETY
- ASSESS AND COMMUNICATE

NEW RIGHTS



INTERNAL TOOLS

- CORPORATE CODE OF ETHICS
- PURCHASING POLICY
- FERROVIAL RISK MANAGEMENT (FRM)
- DUE DILIGENCE WITH THIRD PARTIES AND SUPPLIERS
- APPROVAL OF OPERATIONS
- TRAINING, DISSEMINATION AND AWARENESS
- ETHICS LINE

ETHICS LINE



Accessible by telephone, mail, intranet and website. Confidential and anonymous. The company protects the informant from any retaliation

MODERN SLAVERY



Modern slavery covers forced labor and human trafficking, caused by situations of exploitation, threat, violence, coercion, deception or abuse of power

HUMAN RIGHTS

A reinforced commitment

Human rights are a fundamental part of the global sustainability strategy. In 2022, the Human Rights policy has been updated in line with the main international standards and considering new trends that broaden the human rights approach, bringing it closer to the reality of the company. This reflects Ferrovial's firm commitment to protecting and respecting human rights throughout the company's value chain.

In 2022, Ferrovial's Board of Directors approved a new Human Rights Policy that reaffirms the company's commitment to not only respect, support and promote human rights, but also to identify, prevent and mitigate any potential negative impact. It is aligned with the main international standards such as the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the OECD guide for multinational companies and the regulations of the International Labor Organization. Of course, it is also aligned with the internal regulations that support Ferrovial's Code of Ethics.

One of the pillars of Ferrovial's strategy is the promotion of diversity and equality. The policy clearly defines the rejection of any type of discrimination in all the company's activities and in all relations with its stakeholders. To guarantee this, the company has a Global Diversity and Inclusion Strategy, an Equality Plan that is periodically updated (its third version was approved in 2022) and an internal protocol for the Prevention of Workplace and Sexual Harassment. In line with SDG 5, since 2013 Ferrovial has joined the project "Companies for a society free of gender-based violence", promoted by the Spanish Government. Along these lines, Ferrovial also carried out various actions to raise awareness among its employees on November 25, International Day for the Elimination of Violence against Women.

To reinforce its commitment to diversity, Ferrovial has agreements with organizations that specialize in promoting the incorporation and inclusion of people with disabilities in the different countries in which it operates.

Another of the key principles of the new policy is safety. Ferrovial is therefore committed to creating a safe and healthy working environment for its employees and contractors and promotes the safety of the users of its infrastructures.

The policy also reaffirms the commitment to transparency in all matters relating to the protection of human rights, and makes explicit with regard to the previous one approved in 2014, Ferrovial's commitment to the right to digital disconnection, respect for confidentiality and the right to privacy and analyzes the implications for the company in relations with all its stakeholders:

- Employees: child labor, forced labor, modern slavery, human trafficking, sexual harassment, work-life balance, digital disconnection, right to association, etc.
- Customers: quality, health and safety standards.
- Communities: rights of indigenous and local communities, minorities and vulnerable populations. Environmental protection.
- Suppliers, contractors and partners: due diligence procedures in selection processes. Repair and remediation of negative impacts.

This policy is available to all of them. But it is especially employees and managers who are responsible for ensuring compliance in all Ferrovial activities. An internal communication campaign has been carried out to publicize this new policy and the tools available to ensure compliance. This dissemination reinforces other actions such as courses on the Code of Ethics and on anti-corruption, which are renewed and updated periodically and include specific modules to explain the possible implications on human rights.

The Ethics Line is available to employees and other stakeholders. It allows any interested party to report possible situations of harassment and other discriminatory practices. It is accessible by telephone, mail, intranet or the Ferrovial website, allowing communications to be made confidentially or anonymously if so desired. Ferrovial protects communicators or whistleblowers from any possible retaliation. Since 2017, the Ethics Line has incorporated several points related to Human Rights.

Dialogue with stakeholders is continuous. The company participates in various forums to improve the identification of key issues. Since 2021, Ferrovial has been involved in an investor dialogue program on modern forms of slavery led by Sustainalytics. Furthermore, in 2022 it has participated with third-sector organizations and universities in dialogue sessions on human rights and due diligence and continues to be involved in platforms, networks and working groups such as the Forética Business Council for Sustainable Development, the Human Rights Lab of the Seres Foundation, the Executive Committee of the Global Compact Network, the CEO Alliance for Diversity initiative or the Diversity Charter, a European initiative that is part of the European Union's anti-discrimination directives.

COMMITMENT TO LABOR RIGHTS

The preservation of labor rights is of special relevance among Ferrovial's commitments. It rejects any type of child or forced labor in any form, guarantees equal opportunities and non-discrimination, protection against harassment of its workers, the right to strike, freedom of association and the right to collective bargaining in all countries in which it operates, and promotes the work-life balance. Its employees are protected by the labor regulations of the different territories. Additionally, 59.2% of Ferrovial's workforce is covered by collective bargaining agreements.

To meet the needs of its employees and promote healthy habits and healthy work environments, Ferrovial has internal communication channels and tools that facilitate the creation of collaborative and dynamic work environments. In 2022 Ferronet, Ferrovial's intranet, registered 2,940,043 sessions and 4,499,139 page views.

Ferrovial has also analyzed internally that the remuneration of its employees is above the living wage in countries with the highest activity (Spain, United Kingdom, Chile, USA and Poland), understood as the remuneration that a person or family must receive to meet their basic needs for food, housing, transportation, clothing or health services, among others. After this analysis, it can be affirmed that all employees have a remuneration higher than the living wage corresponding to their country.

ENSURING DUE DILIGENCE IN HUMAN RIGHTS

Ferrovial has implemented a set of tools that promote the protection of and respect for human rights in order to ensure due diligence in human rights in the company's activities.

As part of these due diligence mechanisms, Ferrovial periodically evaluates potential risks to human rights as part of the risk identification and assessment process known as Ferrovial Risk Management (FRM). The FRM process identifies and prioritizes risk events according to their probability and impact. FRM defines at least 8 categories related to human rights, which in 2022 have registered 33 potential risks in all the company's projects, most of them related to data protection or security (79%). Most of the risks identified are low or moderate (94%).

In addition to assessing the risk, the person in charge identifies for each risk the controls implemented to mitigate or eliminate it, either its impact or its probability of occurrence.

Moreover, the company has a procedure for approving capital allocation operations, so that the analysis of all corporate operations carried out takes into account whether they may undermine Ferrovial's ethical principles, with special attention to human rights, social, good governance and environmental aspects.

HUMAN RIGHTS IN THE VALUE CHAIN

To ensure the effective preservation of human rights in the value chain and respect for the company's ethical standards, Ferrovial has had a Supplier Code of Ethics in place since 2021 to establish the basic principles that should govern the behavior of suppliers in their commercial relationship with the company.

The Supplier Code of Ethics includes, among its principles, respect for human rights and the abolition of child labor. The procedure establishes the general criteria for the ethical integrity due diligence process in the selection of a supplier and its follow-up during the term of the business relationship.

Before signing the contract, acceptance of both the Supplier Code of Ethics and the Anti-Corruption Policy will be ensured and then monitored during the term of the contract.

Ferrovial has a due diligence procedure for ethical integrity of third parties. This procedure must be followed prior to reaching a collaboration, partnership or any other type of agreement with a third party (non-supplier). It aims to prevent attitudes and actions contrary to human rights in relations with third parties. To facilitate compliance in 2021, an online tool was implemented to facilitate the process. In 2022, 199 third parties have been analyzed, and 10% have had a high final risk rating.

Ferrovial, alert to new forms of slavery (Modern Slavery Act).

The company operates in countries with stable legislation and low risk of human rights violations. More than 95% of its operations are carried out in Spain, USA, Canada, Poland, UK and Australia. However, the company has adequate mechanisms in place to prevent potential risks related to human rights.

Firstly, the new Human Rights policy specifically includes the prevention of new forms of slavery, and Ferrovial's subsidiaries in the UK, such as Heathrow, AGS and Ferrovial Construction UK have their own Modern Slavery Statements.

Each of these Modern Slavery Statements formalizes the commitment of these companies to prevent any type of human rights violation. In addition, each one specifies the prevention mechanisms to avoid any type of human rights violation, not only those related to Modern Slavery, as well as the mechanisms for reporting if necessary.

The Company has due diligence procedures for the ethical integrity of third parties, suppliers and candidates in order to prevent possible violations of the Code of Business Ethics.

Beyond these preventive mechanisms, Ferrovial has other tools for continuous monitoring once commercial ties with a third party or supplier have been established. In the case of third parties, periodic monitoring will be carried out by means of an automatic search for adverse news in national and international media, as well as in public sanctions lists. In the case of suppliers, the company has the Supplier 360 tool, which also performs an automatic sweep in search of adverse news about suppliers with whom it has a commercial relationship.



HS2 Project, Lancashire, United Kingdom.

SUPPLY CHAIN

Sustainability in the value chain

Promoting sustainable procurement and incorporating ESG criteria in the supply chain are two of Ferrovial's priorities in this area.

The company promotes digitalization, incorporates tools, applies procedures and develops projects aimed at promoting the sustainability of its supply chain through a deeper knowledge of the type of suppliers that provide the company with products and services.

The company analyzes the degree of criticality of all its suppliers, considering critical suppliers as those whose purchasing volume is significant from an economic point of view, or those whose supplies or services could have a negative impact on business continuity in the event of an incident, either because they manufacture critical materials or equipment, or because they are difficult to replace. Based on these criteria, at the end of 2022 there were 123 critical suppliers identified in the Construction division, of which 121 were Tier-1 and 2 Tier-2.

During 2022, 15,292 suppliers were incorporated into Ferrovial's supply chain, and more than 12,000 were evaluated, of which less than 1% were rejected. In terms of supplier revenue, a total of 24.27% corresponded to critical suppliers, while 97.03% came from local suppliers.

INTEGRATION OF ESG PRINCIPLES

Ferrovial has a Suppliers Code of Ethics, integrated into the Suppliers Ethical Integrity Due Diligence Procedure. Knowledge of it is a mandatory requirement for suppliers in orders and contracts, and includes the basic principles that should govern the behavior of all suppliers in their business relationship with the company. It is aligned with and complements other corporate policies, especially the Code of Ethics, and Corporate Responsibility, Human Rights, Quality and Environment and Anticorruption policies.



In addition, all model orders and contracts 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, thus ensuring compliance with ESG requirements.

ESG issues are also considered in the supplier analysis. In this regard, suppliers are classified as high-risk suppliers from a sustainability standpoint if they supply products considered high-risk or from sectors characterized as high-risk, and if they manufacture the products supplied in countries considered to be at risk. In the case of Ferrovial, this list is limited to some suppliers of personal protective equipment. At the end of 2022, this list consisted of three suppliers in Construction, all of which are subject to special monitoring.

The evaluation and monitoring of supplier performance also include ESG criteria. The Construction division has a computer application for the evaluation and monitoring of each supplier based on the evaluations carried out at each construction site or work center. It includes, among other aspects, compliance with occupational health and safety, anticorruption policy and environmental criteria. These evaluations allow us to qualify suppliers on an ongoing basis and are available at an international level for both site managers and other authorized personnel involved in the purchasing and supplier management process. Evaluations with incidents are communicated in real time, so that purchasing managers can make decisions with up-to-date information.

The result of the evaluations may result in a warning to the supplier, the establishment of an improvement action plan, or even disqualification from working with Ferrovial, depending on the seriousness of the incident, especially if non-compliance with the Anticorruption Policy is verified.

SUSTAINABLE PROCUREMENT

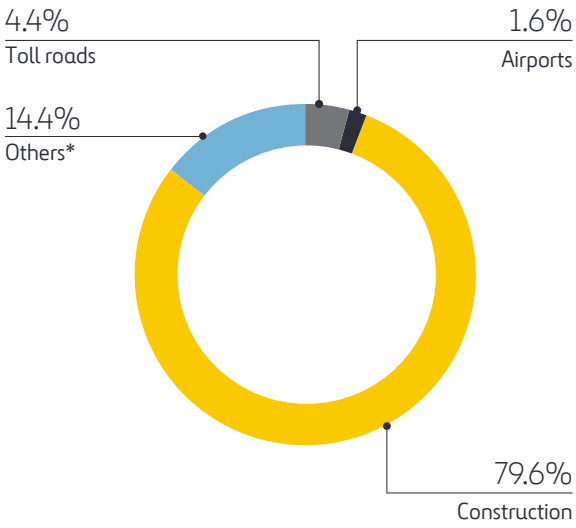
The application of new technologies and the development of innovation projects are key to achieving an agile, efficient and transparent supply chain that incorporates sustainability principles into its supplier selection processes. The most noteworthy initiatives are as follows:

- Low Carbon Concrete Project: launched in 2022, it aims to identify the most innovative projects worldwide for the development of sustainable concretes (with low levels of CO_2 emissions), and which can also contribute to the improvement of prefabrication processes, cured or optimized mixes for their possible use on site.
- Guide to Procurement Aligned with EU Taxonomy: developed in 2022, its purpose is to bring together the necessary information and establish the principles to advise contract purchasers on procurement to comply with the taxonomy requirements.

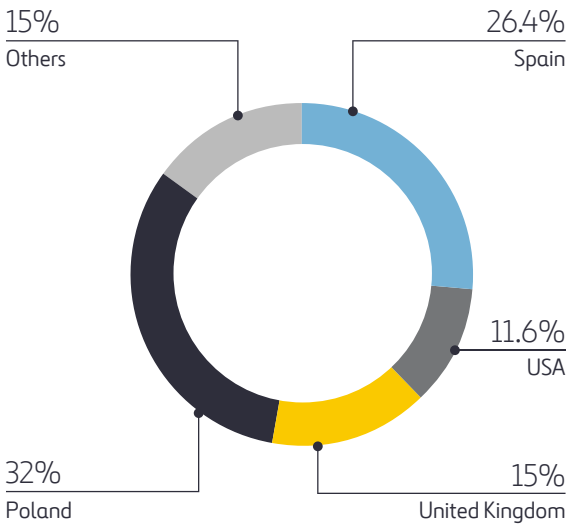


Employees at Ferrovial's office, Madrid, Spain.

SUPPLIERS BY DIVISION



SUPPLIERS BY COUNTRY



* Includes Corporation (580) and Services (6,746)

- Purchase of electricity from renewable sources: the company promotes the purchase of electricity with a guarantee of origin and is progressively advancing towards the 100% target set out in the Horizon 24 Strategic Plan by 2025. In 2022, 70% of the electricity purchased was produced from renewable sources.
- Efficient vehicle fleet: the company has also established in Horizon 24 the objective of reaching a 33% emission reduction from fleet vehicles by 2030. In addition, hybrid and plug-in hybrid vehicles continue to be added to the fleet, resulting in a substantial and continuous reduction in emissions levels.
- Green Purchasing Catalog: during 2022 we have continued to update and increase the information available in the catalog in order to promote the purchase of sustainable products. In Construction, alternatives for the supply of green products with Environmental Product Declarations and Ecolabel products have been incorporated, as well as other information accrediting the improvements in sustainability, in order to make them available to customers both in the contracting and execution phases.

Supplier360, a tool to support supply chain management

Ferrovial uses Supplier360, an IT tool that monitors suppliers using advanced data analytics techniques, language processing and internet searches. This enables to detect potential risks, whether financial, environmental, legal, labor or reputational. The platform provides additional information to that already available in the supplier databases for the selection, contracting and follow-up phases.

At the end of 2022, a total of 724 Ferrovial Construction suppliers were monitored, representing more than 60% of supplier turnover in Spain, USA and UK. The tool has reported a total of 393,034 supplier information obtained from the different websites and platforms it accesses.

In 2023, Ferrovial Construction will integrate the information from Supplier360 into the inSite project management tool, allowing access to the information obtained by the platform for all projects.

COMMUNITY

Local community development

Community investment is a strategic instrument to enhance Ferrovial's contribution to achieving the Sustainable Development Goals. Its social programs pay special attention to the most vulnerable people.

Ferrovial's commitment to the community is a strategic instrument aligned with the United Nations 2030 Agenda and its Horizon 24 Strategic Plan. Ferrovial favors dialogue with local communities, as reflected in the new Human Rights Policy, but takes its commitment further and has social action programs focused on the most vulnerable groups so that the development of the communities where it operates is sustainable and inclusive.



The company seeks that its social commitment also involves its employees through volunteering or financially. In 2022, 2,266 employees participated in one way or another in social programs, which means a contribution of 21,333 hours of volunteering valued as a contribution of 707,420 euros, in addition to 3,945,703 euros in cash. Moreover, the coordination of these activities entails management costs for the company valued at 148,795 euros. This participation multiplies the impact on the community while enhancing the company's capabilities and the sense of belonging to a common project.

SOCIAL INFRASTRUCTURES FOR DEVELOPMENT WITHIN EVERYONE'S REACH

Ferrovial aligns its social interventions with its global strategy of promoting sustainable infrastructures. Therefore, its main community investment programs develop infrastructures that provide vulnerable people with access to basic rights such as water, health or food.

Aligned with SDG 6, one of the main pillars is the development of **infrastructure to improve access to water and sanitation** in vulnerable communities through the Social Infrastructure Program. In its 12 years of activity, it has promoted 34 projects in Latin America, Africa and Asia that have improved access to water in decent conditions for 286,213 people in 12 countries.

These achievements have been possible thanks to an investment of more than 6.8 million euros and the participation of 133 employee volunteers, who have dedicated more than 10,500 hours of skilled labor. The volunteers provide technical assistance in the development of the projects.

In 2022, the program has developed three projects in Sudan, Colombia and India, in collaboration with World Vision International, Action Against Hunger and the Spanish Red Cross, improving access to water and sanitation services for 50,042 people.

For several years Ferrovial has been working on measuring the social impact of its community investment programs aligned with the Sustainable Development Goals. In addition, since 2018, all social infrastructure projects for access to water have had their social impact assessed using a proprietary methodology based on the Social Return on Investment (SROI) framework.

Since 2012, Ferrovial has been committed to improving **infrastructures that facilitate access to food** for the most vulnerable in Spain. In the 52 interventions carried out, it has invested more than 997,000 euros to contribute to SDG 2, zero hunger, improving soup kitchens and food warehouses to ensure food distribution. In 2022, it collaborated with Cáritas to improve the facilities of three soup kitchens in Bilbao, Tortosa and Las Palmas de Gran Canaria.

The company also develops **infrastructures for the improvement of health** with the "Parent Zone. Budimex for children" program, improving the infrastructure of hospital pediatric wards to facilitate a faster recovery of hospitalized children and create more comfortable conditions for them and their families. In the nine years of existence, 39 parent zones have been created, more than 250 employees have been involved as volunteers and it has benefited more than 2,500 people per year.

EDUCATION, A KEY ASPECT FOR THE FUTURE OF SOCIETY

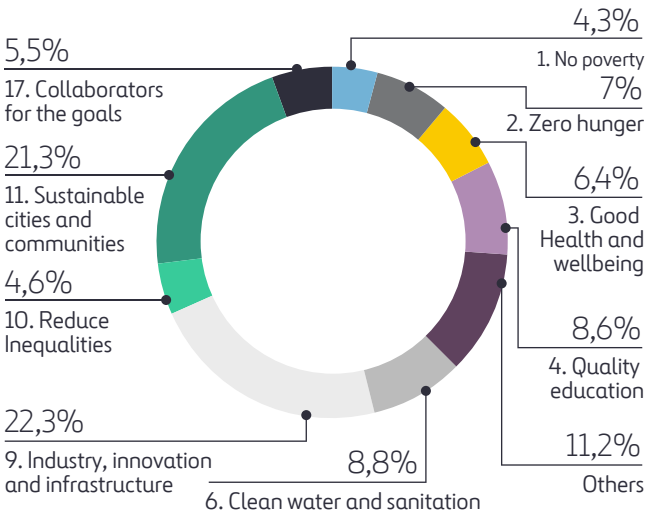
Ferrovial, aligned with SDG 4, maintains a firm commitment to quality education, with special attention to the promotion of STEM vocations. They are a key element for economic and social progress, and it is especially important to work with girls to reduce the existing gender gap in this area. This commitment is reflected in various programs in the main countries in which it operates.

In Spain, Ferrovial has been collaborating since 2017 with the Junior Achievement Foundation's OrientaT program, in which company volunteers give workshops in educational centers to awaken STEM vocations among students, and company volunteers also collaborate with the Princess of Girona Foundation.

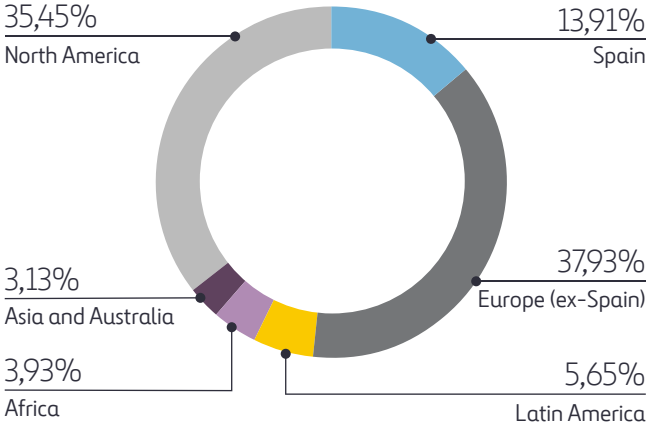
On the other hand, in the United Kingdom, the company supports numerous actions focused on schools with employees as protagonists. In 2022, 279 employees took part in educational activities to bring children and young people into contact with leading figures in the world of engineering, raise awareness of the opportunities offered by STEM careers and provide advice on the transition to the labor market.

Likewise, in the United States Ferrovial collaborates with schools with educational programs focused on fostering STEM vocations through programs such as the TEXpress STEM Scholarship and Teacher Grant, which in 2022 benefited seven schools.

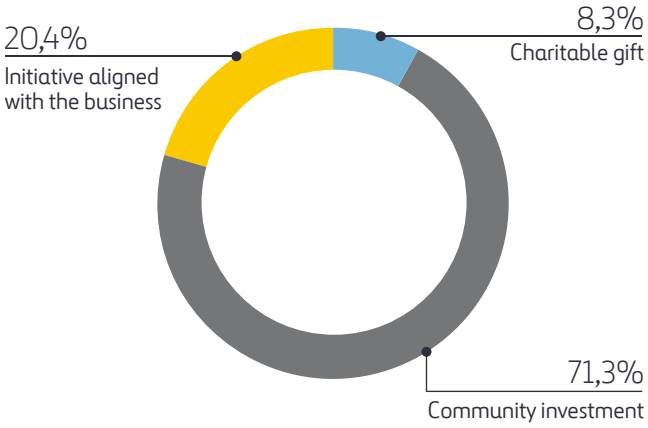
COMMUNITY INVESTMENT BY SDG



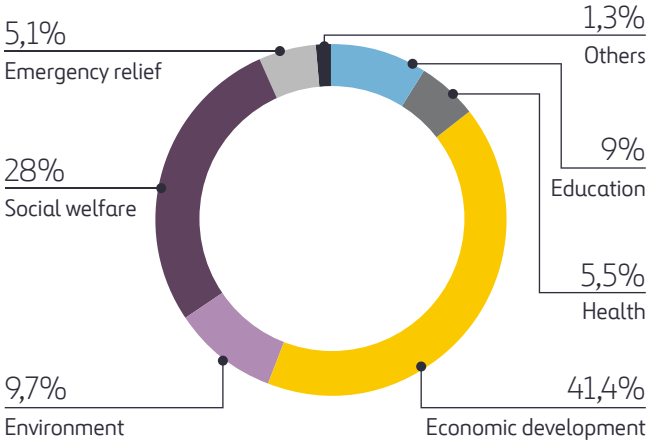
COMMUNITY INVESTMENT BY COUNTRY



MOTIVATION FOR CONTRIBUTION



COMMUNITY INVESTMENT BY AREA OF ACTIVITY



In Poland, since 2009, the Domofon ICE program has been promoting the safety of children in schools, also involving employees.

Ferrovial's response to humanitarian crisis

Ferrovial's commitment to responding to humanitarian crises dates to the earthquake in Haiti in 2010. Unfortunately, its response and mobilization capacity has been put to the test in recent years with the social and health crisis generated by COVID-19 and by the war in Ukraine.

The objective of this program is twofold. On the one hand, to make employees active players in Ferrovial's commitment to the community and, on the other, to help build a socially integrated society.

Ferrovial's response to the crisis generated by COVID-19 was global in all the countries where the company operates. The 8.7 million euros it contributed to the purchase of medical supplies, care for basic needs and support for research into the COVID-19 vaccine have continued to generate positive impacts in 2022. The research it supported from Baylor College of Medicine in Houston, Texas, has successfully culminated in a low-cost vaccine with the possibility of local production.

Just when it seemed that the pandemic crisis was beginning to be overcome, the war in Ukraine broke out, especially relevant for the Budimex subsidiary in Poland, a country that has received almost 3 million refugees. Action has been taken in two areas: support for employees who are Ukrainian citizens, as well as their families; and humanitarian care, with special attention to internally displaced persons in Ukraine and refugees arriving in Poland. The Stronger Together for Ukraine campaign was launched among employees in Spain, Poland, United Kingdom, United States and Chile, thanks to which 470,000 euros were contributed, half of which were donated by employees. Through Caritas and the Red Cross, it has enabled the delivery of food parcels, kitchen kits, plastic tarpaulins and non-perishable food, benefiting more than 95,000 people.

Unfortunately, the social crisis is endemic for many people. Ferrovial therefore continues to support food banks in the United States with initiatives such as Food Drive in Virginia, Fighting Hunger in North Carolina and TEXpress Annual Drive Away Hunger in Texas.

RESPONSIBLE TAX MANAGEMENT

Transparency and accountability

In 2010, Ferrovial adhered to the Code of Best Tax Practices promoted by the Spanish Tax Agency, extending these recommendations to all its activities worldwide through the Tax Compliance and Best Practices Policy. In February 2015, the Board of Directors approved Ferrovial's Tax Policy, in compliance with the provisions of Article 529 ter of the Capital Companies Act.

The Tax Compliance and Best Practices Policy, approved in 2021, is part of Ferrovial's Corporate Governance Policies and is published on the corporate website and on the company's intranet. It is aligned with current international tax standards (OECD Guidelines), ensures a transparent tax compliance model based on best tax practices, and guarantees the correct tax contribution of the Group in each of the countries in which it operates.

It expressly includes the general commitment to comply with tax regulations in Spain and in the rest of the countries in which the company operates, as well as to develop best practices in this area and maintain an appropriate relationship with the corresponding tax authorities, with all employees and collaborators being responsible for complying with this commitment.

It is also developed through various internal rules, procedures, instructions and circulars that make up the Tax Risk Management and Control System (SGCRF), and benefits from the corresponding due diligence procedures and other rules that make up the corporate governance system.

The principles of the Tax Policy are mandatory for all employees of Ferrovial S.A. and Ferrovial Group 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.

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





TAX GOVERNANCE, CONTROL AND RISK MANAGEMENT

The role of the Board of Directors and the 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.

Within the scope of these responsibilities, the Board of Directors, through its Chairman, Chief Executive Officer, its Managers and, in particular, through the Tax Advisory Department, promotes the monitoring of tax principles and best tax practices.

Upon the preparation of the annual financial statements, the Board is informed of the fiscal policies applied during the year and, specifically, of the degree of compliance with these policies. It is also informed of the conclusions derived from the supervision and evaluation of the operation and effectiveness of the Group's SGCRF, which is reflected in the Annual Corporate Governance Report.

In the case of transactions or matters that must be submitted to the Board of Directors for approval, it is previously informed of the tax consequences thereof when these constitute a relevant factor.

The functions of supervising the operation and effectiveness of the SGCRF are assigned to Ferrovial's Compliance Department (tax compliance body), supported by the Tax Advisory Department, functions that already form part of its area of responsibility for supervising the general compliance program and which it will carry out independently and permanently.

The role of the Tax Advisory Department

The Group's Tax Advisory Department is a centralized body, with economic sufficiency and made up of experienced tax experts, whose fundamental objective is the Group's tax management in accordance with the general principles and guidelines set out in Ferrovial's tax policies.

Since 2017, it has voluntarily submitted the Tax Transparency Report to the Spanish Tax Administration on an annual basis, thereby reinforcing legal certainty, mutual knowledge and reciprocal trust with the tax authorities. Adherence to the Tax Compliance and Good Tax Practices Policy has been renewed in 2022.

TAX RISK PREVENTION AND MANAGEMENT

Ferrovial has a Tax Risk Management and Control System whose main objective is to establish a governance framework in tax matters that ensures that the Group's actions and operations are governed by clear principles, values and rules, aligned with the Code of Business Ethics and other corporate governance rules, which allow any employee, person or entity that has a relationship with the company and the Board of Directors itself to adopt the appropriate decisions to comply with tax legislation, as well as to reinforce Ferrovial's commitment to stakeholders (i. e. Public Administrations, shareholders, stakeholders,



Agra-Etawah Toll Road, India.

etc.) from a tax perspective.

This due diligence framework, which is subject to an annual monitoring and control process, makes effective the commitment to strict compliance with applicable laws and the application of the highest ethical standards in the development of the company's activities. The management and analysis of the operation of this system is the responsibility of the Compliance and Risk Department, whose independence and effectiveness have been strengthened, providing it with new resources and placing it under the direct control of the Audit and Control Committee.

It should also be noted that Ferrovial has an Ethics Channel available to its employees and any counterparty with a legitimate interest, which can be used to report any non-compliance 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.

Tax Compliance Management System Certification

In February 2021, Ferrovial, S.A. obtained from AENOR the certification of its tax compliance management system in accordance with the UNE 19602 reference standard "Tax Compliance Management System".

This certification endorses Ferrovial's commitment to regulatory compliance, responding to the regulatory requirements of markets, customers, shareholders and investors and other stakeholders, and positions the company with a high ethical standard and commitment to best corporate governance practices.

This certification, which is valid for three years from the date it was granted, was reviewed and audited by AENOR in January 2023, and it is considered that Ferrovial's Fiscal Management System complies with the requirements of the Standard and with the rest of the audit criteria, effectively implemented as no non-conformities have been detected in this audit.

TAX CONTRIBUTION BY MARKET 2022 AND 2021

The following tables reflect the amounts paid by Ferrovial in 2022 and 2021 in millions of euros, respectively. These are aggregated figures based on their percentage of ownership of the assets. The main assets consolidated by the equity method are 43.23% of 407 ETR (Canada); 25% of Heathrow and 50% of AGS airports (United Kingdom).

2022 (M€)

Market	Paid taxes [1]		Collected taxes [2]	Total (M€)
	Corporate income tax	Other taxes		
Spain	9	117	156	**282**
United Kingdom [3]	4	139	686	**829**
America [4]	71	82	57	**210**
Poland	32	75	102	**209**
Rest of Europe and Others [5]	1	10	28	**39**
TOTAL	117	423	1.029	1.569

2021 (M€)

Market	Paid taxes [1]		Collected taxes [2]	Total (M€)
	Corporate income tax	Other taxes		
Spain	44	334	389	**767**
United Kingdom [3]	3	116	525	**644**
America [4]	65	32	117	**214**
Poland	33	21	69	**123**
Rest of Europe and Others [5]	13	17	32	**62**
TOTAL	158	520	1.132	1.810

(1) Taxes borne by Ferrovial arising from its activity and operations, which represent a direct cost (e.g. corporate income tax, non-deductible VAT, labor tax (employees), local taxes, etc.).
(2) Taxes collected by Ferrovial and paid to public finances on behalf of third parties (e.g. labor tax (employees), net VAT, withholding taxes, etc.).
(3) Includes Ireland.
(4) Includes the United States, Canada, Brazil, Chile, Colombia, Peru and Puerto Rico.
(5) Includes Australia, France, Germany, Greece, Italy, Netherlands, Portugal, Qatar, Slovakia, Turkiye, Saudi Arabia and Oman.

CYBERSECURITY

Protected assets

The strategic importance of digital products and services (IT), operational technology (OT), internet-connected assets (IoT) and the information generated and used in all processes and operations that support business activities are essential for the creation of value for stakeholders.

100%
SUCCESSFULLY MANAGED SECURITY INCIDENTS

126,800
SIMULATED PHISHING EMAILS RECEIVED BY EMPLOYEES

26,250
SINGLE USERS INCLUDED IN PHISHING SIMULATIONS

32,900
SUSPICIOUS PHISHING EMAILS REPORTED BY USER

Ferrovial has an adequate organizational structure, a robust security model and the necessary resources to guarantee the confidentiality, integrity and availability of its digital assets.

ORGANIZATION AND LEADERSHIP

Ferrovial's Global Chief Information Security Officer (CISO) and the Local CISOs of divisions and subsidiaries form the organizational structure and adequate resources to implement the Cybersecurity program.

The Global Cybersecurity Community composed of all the security professionals of the business units and subsidiary companies, as well as their different IT managers, monitors and provides continuity to the development of the security program.

The Cybersecurity Department reports to different governing bodies of Ferrovial. The Global CISO reports periodically to Ferrovial's Management Committee and the Management Committees of the divisions, generally reporting on the security strategy and program, as well as the main security risks and threats.

The Global CISO participates in the Audit and Control Committee, at its request, providing information on the security strategy and program, on the level of internal control, on the main security risks and threats and how they are being handled. It also reports periodically to the Board of Directors, providing information about the strategy, the security program and the main security risks and threats, as well as their management.

During 2022, the strategic security plan, initiated in 2019, was completed. The security program for 2023 focuses on developing advanced threat protection capabilities, improving security in the lifecycle of digital products and services and third-party risk management, fostering an appropriate cybersecurity culture, as well as increasing detection and response capabilities in industrial environments.

MODEL

The Corporate Cybersecurity Policy, approved by the CEO, applies to all divisions and subsidiaries. It is structured around a set of principles and objectives that reinforce the business strategy. It is implemented from the Security Model based on organization, people, processes and technologies, and formalized in a Security Regulatory Body that takes as a reference the best market practices, highlighting the NIST CSF and the ISO 27001 standard (Ferrovial has been certified since 2012).

The Cybersecurity Model follows the ISO 27001 continuous improvement principle (Plan, Do, Check, Act). The strategy is implemented through a program comprising initiatives that enable new capabilities or improving existing ones. It is monitored periodically by Ferrovial's governance bodies and is benchmarked against the results of audits and reviews, compliance with KGIs and security KPIs or new cybersecurity threats.

The company is evolving its strategy by deploying protection, detection and response capabilities to address threats such as those associated with the Russian-Ukrainian conflict, the proliferation of ransomware attacks, supply chain or email compromises (BEC), phishing or smishing. Among other measures, detection capabilities have been enhanced, systematic compromise and attack simulations have been carried out, and security training and awareness campaigns have been increased.

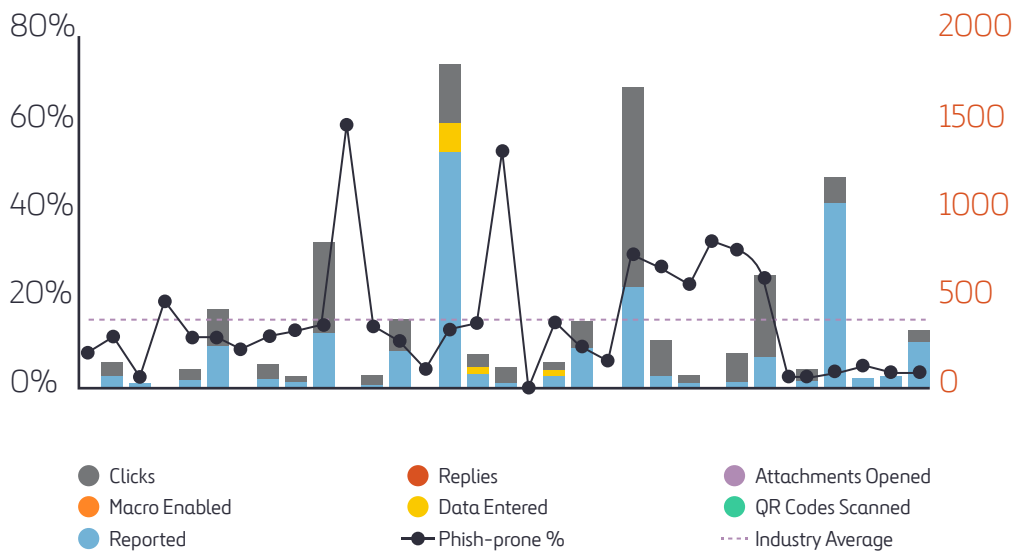
CULTURE

Ferrovial has implemented a cybersecurity culture program with the aim of enabling employees and collaborators to become the first line of defense against cyberthreats. It encompasses different initiatives that are carried out continuously in the organization, such as monthly phishing simulations and periodic smishing and vishing simulations. Following the simulations, the level of risk of suffering this type of attack is measured and the following training, awareness and coaching cycles are adapted to the specific needs identified.

Media such as the intranet and Yammer are also used for the dissemination of relevant news and pills on security matters, including those related to the most common threats that employees and collaborators must face, both professionally and privately.

It is worth noting that employees of the Cybersecurity Department have specific security objectives within their annual performance evaluation.

PHISHING SECURITY TESTS



LEGAL, REGULATORY AND CONTRACTUAL COMPLIANCE

The Security Compliance area, integrated in the Cybersecurity Department, is responsible for identifying the applicable legislation and the security requirements necessary to guarantee compliance in this matter.

The most relevant regulations covered by the Security Model are, but not limited to, the following: the General Data Protection Regulation (RGPD and LOPDGDD), the Internal Control System for Financial Information (SCIIF), the SWIFT (Society for Worldwide Interbank Financial Telecommunication) regulations, the NIS Directive, the Crime Prevention Model typified in the Criminal Code, the National Security Scheme (ENS), ISO 27001 and the different local regulations of the geographies in which Ferrovial operates relating to the protection of Essential Services and Critical Infrastructures. When new regulations are identified or modifications are made to the requirements of those already identified, the Security Model is updated. In addition, specific programs have been implemented for compliance with data protection, Criminal Code, SCIIF, SWIFT and ISO 27001.

The Cybersecurity Department also ensures compliance with the security requirements defined in the bidding specifications, tenders and contracts in the different business units.

DETECTION, CORRELATION AND CYBER THREAT INTELLIGENCE

The company has two SOCs (Security Operations Centers) that provide coverage for security events that occur in its data centers, perimeters, workstations and cloud environments. These services act when they receive alerts generated by SIEM (Security Information and Event Management) tools, upon detecting the use cases defined by the Cybersecurity Department.

Ferrovial has cyberintelligence capabilities that provide information on threat actors and their techniques and tools, enabling the deployment of controls to prevent successful attacks. In addition, formal collaboration agreements are maintained with national and international cybersecurity agencies with which information related to cybersecurity threats and incidents is shared and received.

RESPONSE TO CYBER-ATTACKS

The company has a CSIRT (Computer Security Incident Response Team) that intervenes when events detected by the SOC are likely to become security incidents. It integrates DFIR (Digital Forensics and Incident Response) capabilities that make it possible to analyze events in order to contain them, mitigate them and prevent their recurrence. It is especially relevant the identification of IoCs (Indicators of Compromise) and TTPs (Tactics, Techniques and Procedures) to improve protection and detection mechanisms.

The indicated capabilities and processes are formalized through incident management procedures based on the National Cyber Incident Notification and Management Guide (INCIBE-CERT) and the ISO/IEC 27035 standard, which operations (response, containment and eradication) are specified in a set of processes and playbooks.

Detection and response capabilities are systematically tested with Breach & Attack simulations supported by technologies already available on the market.

20,000
ACCESSES BLOCKED TO MALICIOUS DOMAINS ON A MONTHLY BASIS

1,300
SECURITY EVENTS ANALYZED MONTHLY

130,000
PHISHING EMAILS BLOCKED ON A MONTHLY BASIS

750
ATTEMPTS TO ACCESS CORPORATE RESOURCES BLOCKED ON A MONTHLY BASIS (MALICIOUS/ UNTRUSTED ORIGIN)

RESILIENCE AND CYBER RESILIENCE

The company has established Contingency and Recovery Plans to respond to and recover from disruptive events. The Crisis Management Protocol involves different Ferrovial departments and divisions, in accordance with the protocols established for each of them. Response and recovery plans for incidents and disruptive events are tested at least once a year.

Moreover, the company has a cyber insurance policy that offers, among others, various types of coverage such as financial, incident response and legal coverage for disruptive events and cyber incidents that may occur in the context of the activity carried out by Ferrovial, its business units and subsidiaries.

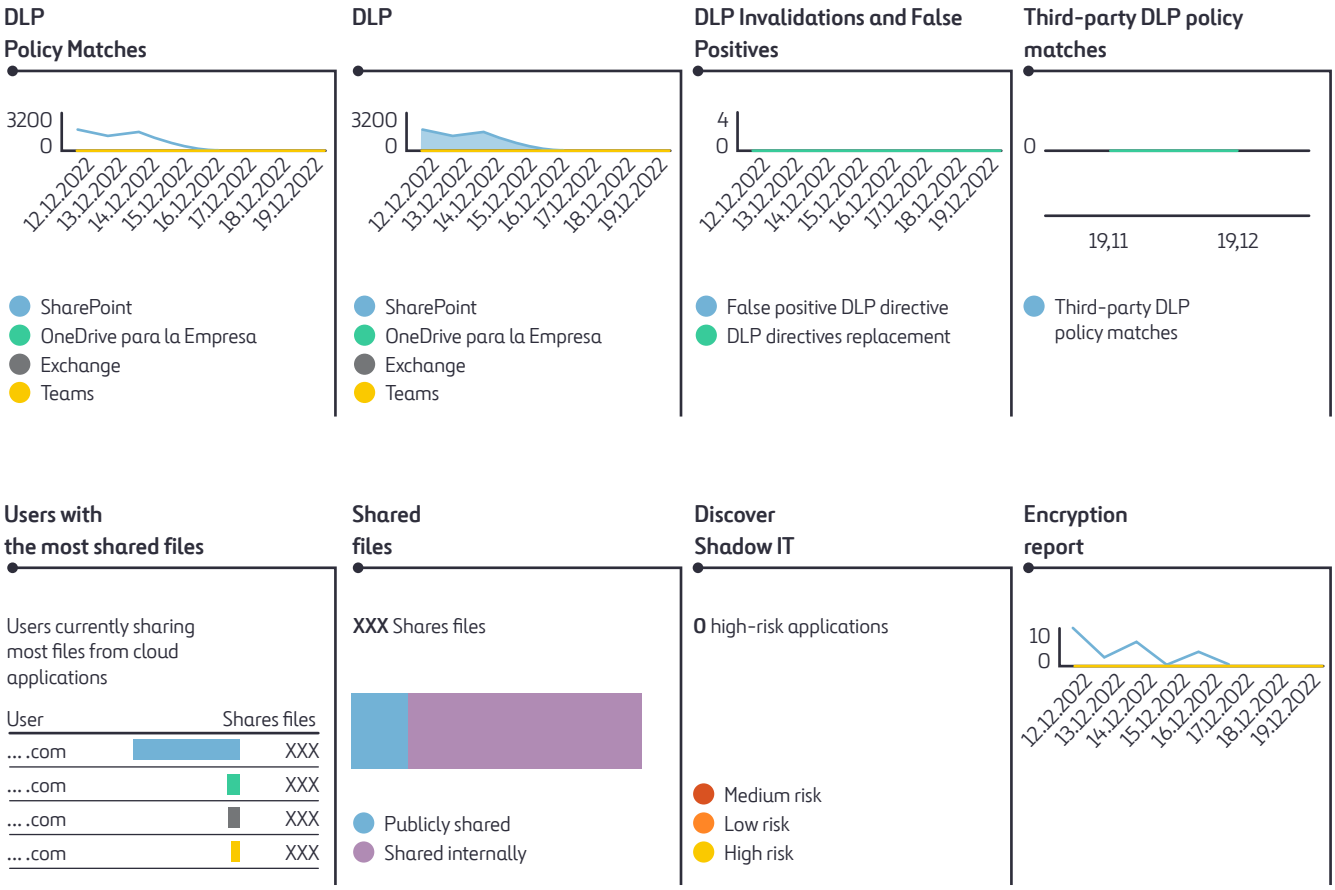
Ferrovial has participated in the National Cyber Exercises 2022 organized by the Spanish National Cybersecurity Institute (INCIBE) and the Cybersecurity Coordination Office (OCC), testing the structure, procedures and capabilities that articulate the detection, response and recovery from cyber incidents.

EXTERNAL VERIFICATION AND VULNERABILITY ANALYSIS

The company continuously reviews its Security Model to identify areas for improvement and vulnerabilities. Security audits and reviews are carried out annually, among which the following stand out:

- Audits associated with ISO 27001 certification.
- Security audits within the framework of the EEFF audit (ITGC and ITCC).
- Audits performed by Internal Audit Department (Third Line of Defense).
- Ad hoc security reviews according to annual planning (Red Team, Pentesting, etc.).
- Recurrent breach & attack exercises combined with threat hunting.
- Vulnerability reviews in data centers, workstations, perimeters and cloud environments.
- Vulnerability reviews in source code.
- Security reviews of vendors (Vendor Risk Management).
- Review of Ferrovial's cybersecurity rating.
- Participation in national cyber exercises (INCIBE and OCC).
- Crisis simulations.
- Security Model assessment campaigns.

The Cybersecurity Department gathers, assigns, plans and monitors the implementation of the different action plans resulting from assessments, reviews and audits.





Jorge Chavez Airport Control Tower, Lima, Peru.



4
Risks

112 Prepared for uncertainty
113 Main Risks



Rutas del Loa, Antofagasta, Chile.

RISKS

Prepared for uncertainty

Effective risk management enables the company not only to detect and manage risks that threaten the achievement of its business objectives, but also to identify and leverage competitive advantages.

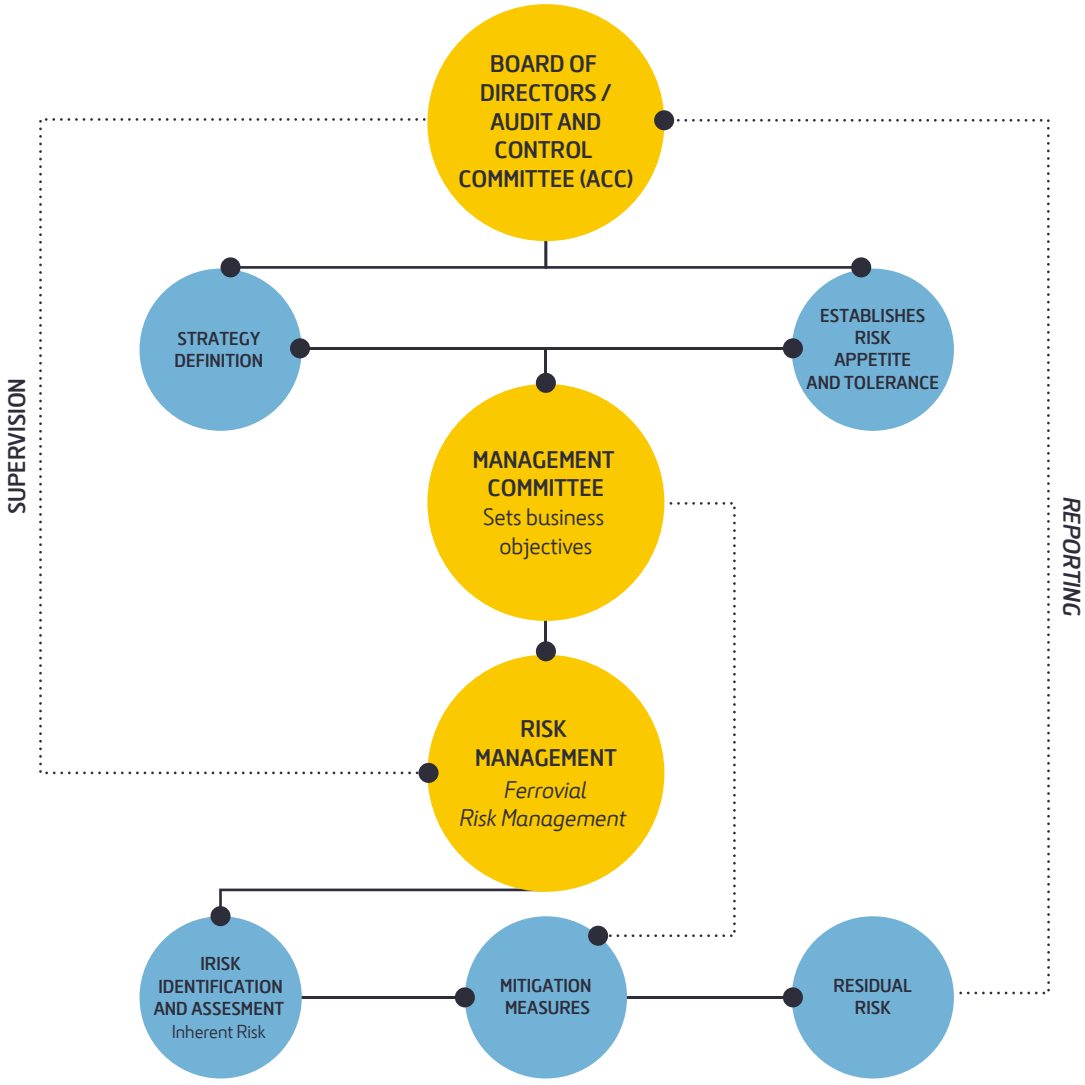
The Risk Control and Management Policy, approved by the Board of Directors, establishes the general framework for the control and management of risks of various kinds that the management team may encounter in the pursuit of business objectives, as well as the acceptable risk and the level of tolerance per risk factor. The Board establishes and periodically reviews the risk appetite.

EFFECTIVE RISK MANAGEMENT. FERROVIAL RISK MANAGEMENT

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 units, under the periodic supervision of the Audit and Control Committee of the Board of Directors.

Through the application of common metrics, the process allows to identify risk events in advance and assess them in terms of their probability of occurrence and their potential impact on business objectives, including corporate reputation. In this way, Ferrovial can take the most appropriate mitigation measures according to the nature of the risk.

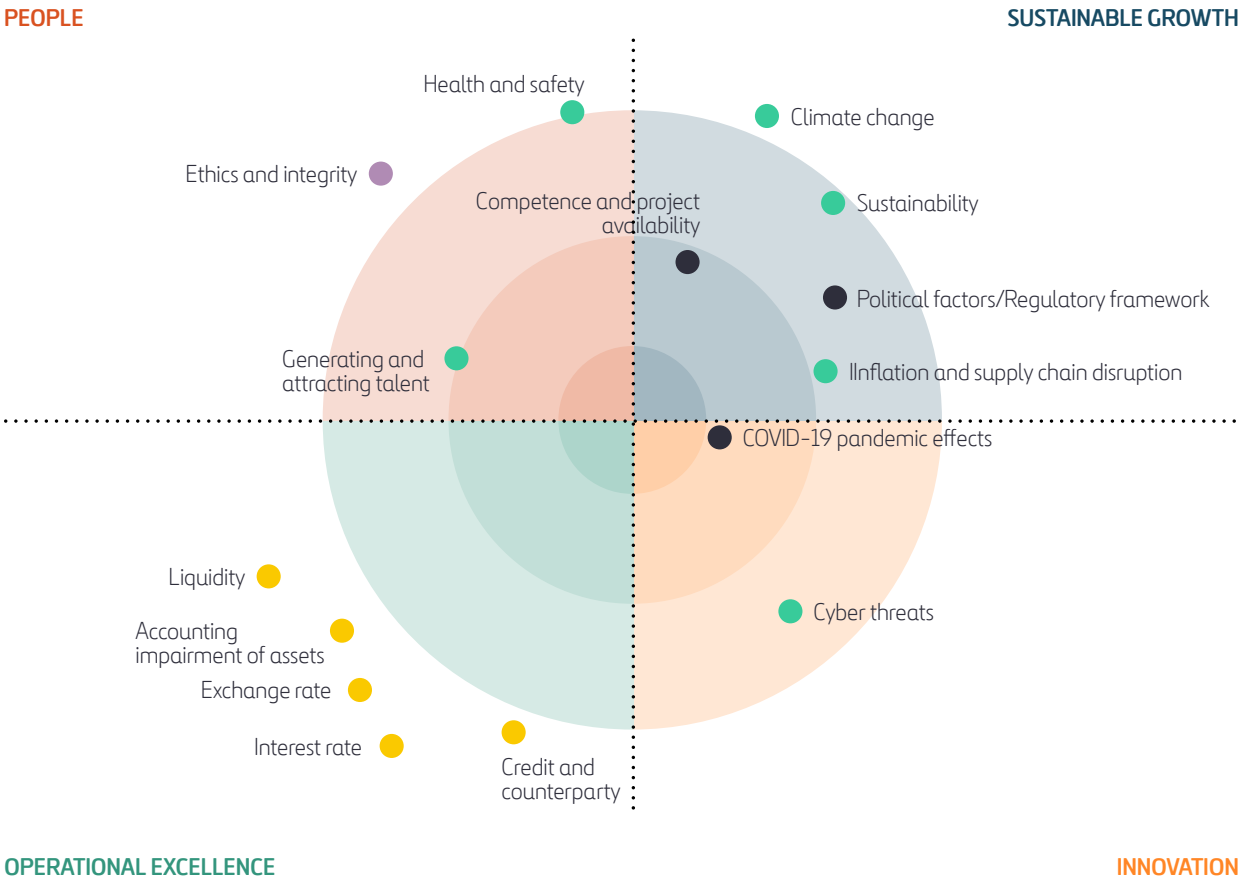
For each risk event identified, two assessments are made: an inherent assessment prior to the specific control measures implemented to mitigate the risk, and a residual assessment, after specific control measures have been implemented.



Main risks

The Board of Directors supervises, through the Audit and Control Committee, the risk identification and assessment process (Ferrovial Risk Management) managed by the Management Committee and the Compliance and Risk Department.

The chart shows the most relevant risk events that threaten the execution of Ferrovial's corporate strategy.



Please note: Closer proximity to the center point of the diagram indicates greater relative severity. Risk events that threaten several strategic priorities have been placed in the quadrant with the highest relative impact.

Strategic risks: related to the market and local influences on each business.

Operational risks: risks associated with bidding processes, production, provision of service, generating income and incurring costs.

Financial risks: risks associated with changes to financial data, access to the financial markets, cash management, the reliability of financial information and tax-related risks.

Compliance risks: risks linked to compliance with applicable law, commitments with third parties and self-imposed obligations deriving from the Code of Ethics.

The most relevant risk events, their potential impact and the main control measures implemented to mitigate their impact and/or probability of occurrence are described below.

Risk Event	Description	Potential Impact	Control Measures
Return to pre-COVID mobility patterns	Following the challenge posed by the pandemic, there has been an acceleration of the trend towards digitalization in social interaction (teleworking, e-commerce). This evolution, coupled with the current context of global economic slowdown (war in Ukraine, inflationary environment and rising interest rates) puts at risk the return to pre-COVID mobility scenarios and, therefore, the performance and value of Ferrovial's assets.	• Asset valuation. • Liquidity. • Compliance with financial covenants. • Margins and flows in operating infrastructure projects. • Business opportunities (delays in bidding processes).	• Measures to preserve liquidity in the short/medium term. • Negotiation of financial waivers with creditors. • Analysis and study of medium-term mobility trends, as well as review of scenarios and alternatives.
Competence and availability of value-generating projects	The market for infrastructure development and operation projects is highly competitive and is exposed to political and social factors that are difficult for operators to manage. These circumstances may have an impact on the achievement of the company's growth objectives.	• Reduction of business opportunities. • Compliance with growth objectives. • Margin reductions due to increased risk.	• Implementation of improvements in the project study and bidding processes. • Analysis of new markets. • Unsolicited proposals. • Review of risk profile by project type.
Talent retention and attraction	Changes in employee motivation and expectations as a result of the pandemic, the strong demand for skilled labor and the low level of unemployment in some of the geographical areas in which Ferrovial operates, make it difficult to attract and retain talent, which could impact the company's competitiveness.	• Loss of business opportunities due to lack of qualified personnel. • Failure to meet customer commitments (deadlines, quality, etc.). • Reduced margins due to increased costs.	• Plan to identify and promote talent in the organization. • Promote the attraction of local talent. • Succession plan for key positions. • Measures to adapt to the new work environment.
Inflation and supply chain disruption	The economic recovery with the end of the COVID restrictions has led to an increase in the demand for raw materials worldwide, causing a spiral of price increases and stressing supply chains, all of which has been aggravated by the conflict in Ukraine. In this context, Ferrovial is facing increases in the cost of materials and some raw materials, which jeopardizes compliance with delivery deadlines and expected profitability.	• Reduction of margins due to cost increases. • Non-compliance with commitments to customers. • Fulfillment of growth objectives.	• Introduction of price review mechanisms in contracts. • Negotiation of pre-contracts with suppliers and subcontractors. • Advance planning of supplies, from the study and bidding phase. • Monitoring of market trends and supply planning. • Materials hedging.
Political factors/ Regulatory framework	Ferrovial's businesses are subject to local administrative regulations. The current context of geo-economic crisis encourages in some markets economic policies aimed at prioritizing national or regional interests, and/or increasing fiscal pressure. These interventions could affect asset management and the development of future projects. In particular, Heathrow Airport is currently in the process of developing the regulatory framework for the next five years, the final outcome of which could have an impact on the value of the asset.	• Compliance with business plans. • Reduction of bidding processes for projects in which Ferrovial has competitive advantages (P3). • Impact on project cash flows and liquidity in the short/medium term. • Increase in the tax burden.	• Constant monitoring of regulatory and legislative processes that could affect activities. • Monitoring of political movements in order to anticipate possible impacts. • Participation in the negotiation of new regulatory frameworks.

Cyber threats (see cybersecurity section, pages 106 y 107)	With the constant development of the information society, businesses are increasingly dependent on technology and connectivity, leading to growing exposure to cyber threat risk. The conflict between Ukraine and Russia has further increased the number of attacks and their severity against companies and critical assets (attack on supply chains, asset disruption, phishing, digital identity theft, etc.). In this context, infrastructures are exposed to these threats, which can impact the normal operation of assets, their ability to generate the expected value and the company's reputation.	• Degradation or impossibility to operate the assets. • Economic loss due to business recovery costs. • Penalties for non-compliance with regulatory and/or contractual requirements. • Impact on the business plan with the consequent reduction in the value of the asset. • Damage to corporate reputation and competitive advantage, compromising potential business opportunities. • Loss or theft of know-how and/or intellectual and industrial property. • Fraud impact.	• Global Security Model, based on NIST CSF and ISO 27002, ISO 27001 certified (audited annually). • Periodically evaluated security capabilities and controls that implement the security model. • Global Cybersecurity Committee and Community, as levers for the deployment of security capabilities. • Insurance policies with coverage for cyberincidents of various kinds. • Establishment of formal collaboration agreements with national and international cybersecurity agencies. • Deployment of advanced protection capabilities.
Sustainability (see The Environment section, pages 80-87)	Investors and infrastructure funds are increasingly prioritizing Environmental, Social and Governance (ESG) aspects in their decision-making. Any failure to comply with Ferrovial's objectives in the fight against climate change could have a negative impact on its reputation, analysts' ratings and third parties' investment decisions.	• Difficulty in accessing financing. • Tightening of project financing conditions. • Penalization by potential investors. • Loss of positioning in sustainability indexes. • Damage to corporate reputation.	• The Horizon 24 Strategic Plan, focused on the promotion, construction and management of sustainable infrastructures. • Presence in several of the most internationally recognized sustainability indexes, among others: Dow Jones Sustainability Index, Sustainalytics, FTSE4Good, Moody's, STOXX or CDP. • Development and implementation of the sustainability strategy.
Health & Safety (see HS&W section, pages 76-77)	The risk of an accident is inherent to the nature of Ferrovial's activities. Failure to have appropriate mitigation measures in force could jeopardize the safety and health of people (employees, customers, etc.) and may also have a negative impact on the Group's operations. Failure to comply with the company's health and safety policies and processes could trigger, in addition to physical damage, a reputational risk or even loss of business opportunities.	• Physical damage to employees and third parties. • Operational impacts due to interruption in operations. • Civil/criminal liability. • Damage to corporate reputation.	• Integrated occupational health and safety as a core value of the company. • Implementation of a health and safety strategy. • Implementation of health and safety systems. • Continuous training for employees. • Audit plan for management systems. • Civil and professional liability coverage.
Climate Change (see The Environment section, pages 80-87)	Ferrovial is exposed to risks derived from climate change. On the one hand, there are physical risks, such as extreme weather events, which may affect infrastructures and, on the other, transition risks, because global trends to reduce the causes and consequences of climate change may entail economic (such as an increase in the cost of raw materials), regulatory, technological and/or reputational effects.	• Interruption of operations due to physical damage to infrastructure. • Decreased productivity in extreme weather conditions. • Increased premiums for coverage. • Increase in operational costs due to: raw material price increases, increase in fossil fuel taxes, payment for emissions produced, etc.	• Process for identifying and assessing the risks associated with climate change to which the company may be exposed in order to anticipate them and implement remediation programs. • Control and monitoring tools. • Implementation of recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

Ethics and Integrity (see Integrity section, pages 94-95)	The company is exposed to the risk of its employees or collaborators committing acts that may involve non-compliance with the rules and requirements of integrity, transparency and respect for legality and human rights.	• Criminal liability of individuals and legal entities. • Reduction of business opportunities due to non-compliance with ethical requirements. • Damage to corporate reputation. • Economic impact from sanctions.	• Compliance program aimed at preventing acts contrary to ethics and integrity. • Certified criminal and anti-bribery prevention system (UNE-ISO 19601 and ISO 37001). • Specific training plan to promote an ethical culture and prevent irregularities, especially corruption.
Financial Risks (see IAGC22, section E)	The Group's businesses are affected by changes in financial variables, such as interest rates, exchange rates, inflation, credit and liquidity.	• Loss of opportunities due to reduced project financing capacity. • Reduction of net margins. • Fulfillment of financial commitments.	• Financial risk management policies. • Analysis and active management of the risk exposure of the main financial variables. • Analysis of sensitivity to the variation of the different variables. • Effective management of financial alternatives.

EMERGING RISKS

Furthermore, thanks to the Ferrovial Risk Management process, emerging risks caused by external agents with a potentially significant long-term impact on the business are also identified, assessed and monitored. Among others, the following risks stand out:

Risk Event	Description	Potential Impact	Control measures
Protection of Biodiversity and Natural Capital (see Environment section, pages 80-87)	Biodiversity plays a key role in the provision of ecosystem services that support the economy and social well-being. The degradation of ecosystems and natural capital entails operational, economic and reputational risks for the development of business activities. In particular, Ferrovial could be affected by the loss of quality of certain ecosystem services, such as the lack of water or the reduced availability of certain raw materials.	• Reductions in project margins and cash flows. • Reduction of business opportunities. • Loss of license to operate and/or stoppage of activities. • Reputational impact.	• Launch of biodiversity policy. • Implementation of an environmental management system that considers biodiversity as a key aspect. • Development of a methodology and tool for measuring natural capital debt called INCA (Integrated Natural Capital Assessment).
Global geopolitical conflict	The increase in political tensions worldwide because of the war in Ukraine increases the risk of a large-scale armed conflict. In this context, countries tend to boost regional economies at the expense of global integration by applying competition and trade restrictions, sanctions, investment controls, expropriations or other restrictions. All this can lead to a global recession with serious effects on the economy.	• Compliance with growth objectives. • Reductions in project margins and cash flows. • Reduction of business opportunities.	• Monitoring of political movements in order to anticipate possible impacts. • Prioritize investments in jurisdictions with political stability and legal certainty.



Tunnel in the Northern Line Extension, London, United Kingdom.



5 Corporate Governance

120 Corporate Governance
124 Remuneration
126 Board of Directors
130 Management Committee



Floating offshore wind platform, DemoSATH project, Bilbao, Spain

CORPORATE GOVERNANCE

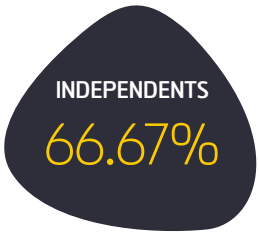
Independence and diversity

Corporate governance aligned with national and international best practices is a priority for Ferrovial. This guarantees integrity, which is key to achieve a profitable and sustainable business in the long term, reinforcing the trust that shareholders and other stakeholders have in the company.

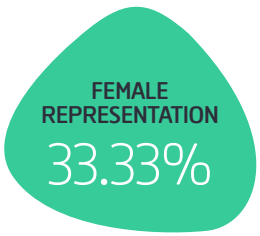












The Annual Corporate Governance Report (ACGR) has been developed by the Board of Directors and communicated to the Spanish National Securities Market Commission (CNMV), forming part of the Management Report in accordance with commercial legislation. The ACGR details all corporate governance aspects of Ferrovial and is available at www.ferrovial.com.

Ferrovial complies fully or partially with the majority of the recommendations of the CNMV's Good Governance Code for Listed Companies (56 out of the 58 recommendations that apply to it), as indicated in the ACGR. In this regard, the company carries out an ongoing analysis to assess the incorporation of best practices in the good governance field into its internal regulations.

In corporate governance, during 2022 the Board of Directors has agreed the following:

- To propose to the General Shareholders' Meeting the modification of the Company Bylaws and the Regulations of the General Shareholders' Meeting to, among other matters, adapt their wording to the amendment of the Capital Companies Act operated by Law 5/2021, of April 12.
- Approve a Human Rights Policy.
- Approve a Diversity and Inclusion Policy.
- Approve the modification of the Rules of Conduct in the Securities Markets.

Additionally, the Chief Executive Officer has agreed during the year to approve a Corporate Cybersecurity Policy.

GOVERNING BODIES

The ACGR describes in detail the functioning of the management bodies and the decision-making process in the company, whose highest governing bodies are the General Shareholders' Meeting and the Board of Directors, respectively.

General Shareholders' Meeting

This is the Company's sovereign governing body, as established in the Company's Bylaws. It has the power to decide on all matters attributed to it by law or the Company's bylaws.

The Ordinary General Shareholders' Meeting was held on April 7, 2022 on second call. All the resolutions proposed by the Board of Directors were approved.

Board of Directors

It is composed of 12 members, which facilitates an efficient and participatory operation. It has an ample majority of Proprietary and Independent Board Members (9 out of 12 members), eight of whom belong to the latter category. Directors are re-elected every three years, as opposed to the maximum of four years stipulated by corporate regulations. This allows shareholders to validate their management every few years.

It performs its functions with unity of purpose and independence of criteria, treats all shareholders in the same position equally and is guided by the corporate interest, understood as the achievement of a profitable and sustainable business in the long term, which promotes the continuity and maximization of the economic value of the company.

The Board has a Coordinating Counselor, to whom the internal regulations attribute additional functions to those provided for by law, such as chairing Board meetings in the absence of the Chairman and Vice Chairman and echoing the concerns of the Non-Executive Directors.

Business dealt by the Board of Directors

Annually, at the proposal of its Chairman, the Board of Directors draws up a calendar and matters to be discussed at each of the meetings scheduled for the following year, without prejudice to other matters that may arise during the year. The main matters discussed in 2022 (in addition to those already discussed above in the area of corporate governance) are detailed below:

- Report on matters discussed at Committee meetings.
- Periodic financial information.
- Treasury situation.
- Internal control system for financial information.
- Main risks.
- Ordinary General Shareholders' Meeting (notice of meeting, proposed resolutions, reports).
- Reports from business divisions and corporate areas.
- Annual budget and reviews of the current year's budget.
- Health and safety, which is reviewed at each Board meeting.
- Fiscal policies followed during the previous year.
- Strategy.
- Operations.
- Guarantees provided by the Group's parent companies.
- Effectiveness of the regulatory compliance program.
- Technology and cybersecurity.
- Innovation and digitalization.
- Sustainability (submitting to the General Shareholders' Meeting the approval of the Climate Strategy Report for the 2021 financial year to a consultative vote).
- Social action.
- Shareholder analysis and market perception.
- Composition of the Board.
- Ferrovial Flexible Dividend Program.
- Execution of two share buyback programs (to reduce share capital and in execution of remuneration systems).
- Annual evaluation of the Board and its Committees.
- Remuneration of Directors (including the submission of a Directors' Remuneration Policy to the General Shareholders' Meeting).

In 2022, the Board held a total of six meetings, with an average duration of approximately six hours per meeting (individualized data on the attendance of the Directors at the meetings of the Board and its Committees is presented below). In addition, on August 18, 2022, the Board of Directors adopted resolutions in writing and without a meeting.

For the eighth consecutive year, the Board has evaluated its operation and that of its Committees, with the support of an external consultant of recognized prestige. Based on the conclusions and recommendations of this external consultant, the Board identified some possible improvements in relation to its operation.

Executive Committee

It The Board of Directors has delegated all its powers to the Executive Committee, except those that cannot be delegated by law or the Company's Bylaws. It is composed of six members, four of whom are External Directors, two of whom are Independent (thus complying with recommendation 37 of the Code of Good Governance). During 2022, it monitored the Group's financial information, the evolution of the main business indicators, the impact of COVID-19 on employees, as well as the status of the most relevant projects and matters of the year. It has also approved the operations within its competence as a delegated body of the Board of Directors.

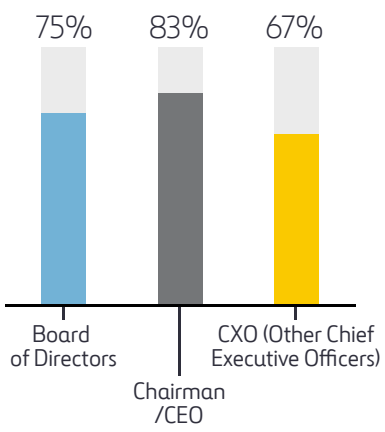
Audit and Control Committee

It is composed of four Independent Board Members, including its Chairman, who have been appointed taking into account their knowledge and experience in accounting, auditing and financial and non-financial risk management. Their powers are governed by Article 51 of the Company's Bylaws and Article 21 of the Board of Directors' Regulations (which includes the recommendations on good governance). They possess, as a whole, the relevant technical knowledge in relation to the sectors in which Ferrovial operates.

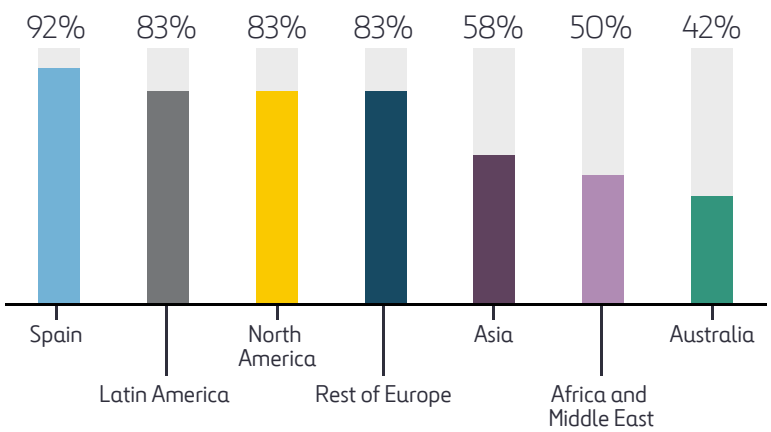
During 2022 it held five meetings. Its activities during the year are

BOARD EXPERIENCE

PROFESSIONAL BACKGROUND



INTERNATIONAL EXPERIENCE





I-66 Toll Road Sensors, Virginia, United States.

AUDIT AND CONTROL COMMITTEE
100%
independent

NOMINATION AND REMUNERATION COMMITTEE
75%
independent

detailed in the report on its operation, published on Ferrovial's website. The Committee takes into account in its activity and operation the recommendations of the Good Governance Code of Listed Companies and those of the CNMV's Technical Guide on Audit Committees of Public Interest Entities.

Nomination and Remuneration Committee

It is composed of four External Directors, three of whom are Independent, including its Chairman. All of them have been appointed considering the knowledge, skills and experience required for the performance of the Committee's duties. Its competencies are regulated in Articles 52 of the Company's Bylaws and 23 of the Board of Directors Regulations (which include the good governance recommendations).

The Committee held four meetings during 2022. The activities carried out during the year are listed in the report on its operation, published on Ferrovial's website. There is also detailed information on the Committee's activity in the area of remuneration in the Annual Report on Directors' Remuneration, also available on Ferrovial's website. The Committee takes into account in its activity and operation the recommendations of the Good Governance Code of Listed Companies and those of the CNMV's Technical Guide on Nomination and Remuneration Committees.

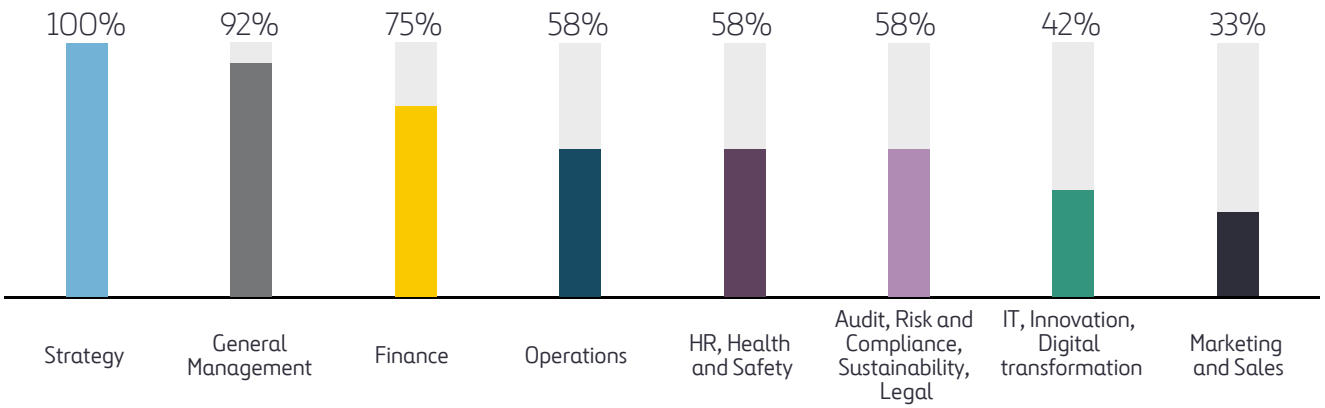
Aenor's Good Corporate Governance Certification

Ferrovial is the first Spanish infrastructure company to be certified in accordance with AENOR's Good Corporate Governance Index. This new recognition has been awarded based on a serie of standardized metrics that measure the degree of compliance in good governance using 9 variables, 41 indicators and 165 assessment criteria.

The composition of the Board of Directors, with a large proportion of independent members, the Board's annual self-assessment, which is always carried out with the support of a reputable external consultant, and the involvement of shareholders in defining the company's environmental strategy, which is voted on annually at the Shareholder's Meeting, are some of the aspects that have led Ferrovial to obtain the maximum rating of G++.

BOARD EXPERIENCE

FUNCTIONAL AREAS

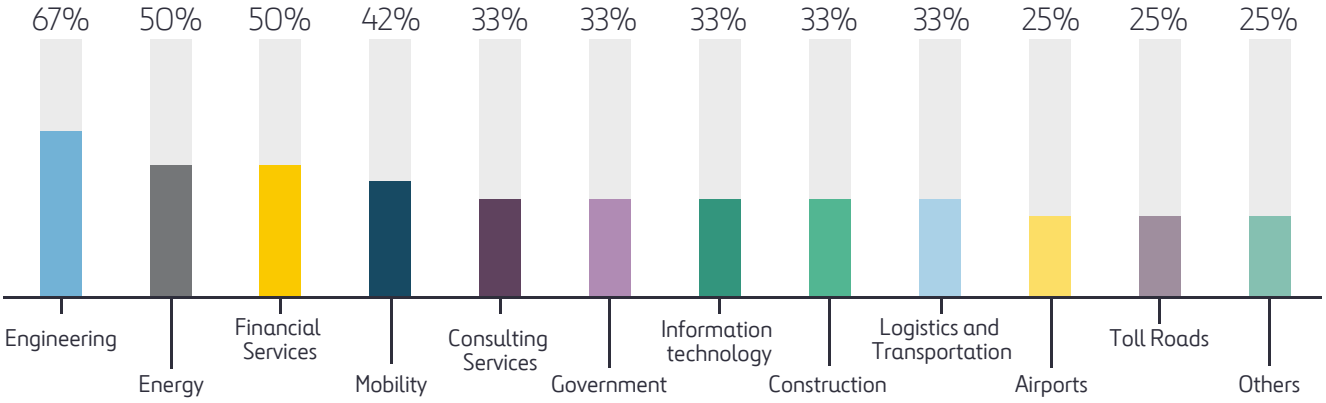


POSITION		Chairman	ViP	CEO	Member	Member	Member	Member	Member	Member	Member	Vocal	Vocal
		RAFAEL DEL PINO	ÓSCAR FANJUL	IGNACIO MADRIDEJOS	MARÍA DEL PINO	JOSÉ FERNANDO SÁNCHEZ-JUNCO	PHILIP BOWMAN	HANNE SØRENSEN	BRUNO DI LEO	JUAN HOYOS (Lead Director)	GONZALO URQUIJO	HILDEGARD WORTMANN	ALICIA REYES
Board of Directors	Executive Director	✓		✓									
	Proprietary				✓								
	Independent		✓				✓	✓	✓	✓	✓	✓	✓
	Other external					✓							
Board / Committees*	Board of Directors	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)	(6/6)
	Executive Committee	✓C (7/7)	✓ (7/7)	✓ (7/7)	✓ (7/7)	✓ (7/7)				✓ (7/7)			
	Audit and Control Committee		✓C (5/5)				✓ (5/5)				✓ (5/5)		✓ (5/5)
	Nomination and Remuneration Committee					✓ (4/4)		✓ (3**/4)	✓C (4/4)		✓ (4/4)		
Shareholding	% direct and indirect capital	20.42	0.01	0.01	8.21	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other data	Date of first appointment	09/01/1992	31/07/2015	30/09/2019	29/09/2006	03/12/2009	29/07/2016	05/04/2017	25/09/2018	02/10/2019	19/12/2019	06/05/2021	06/05/2021
	Nationality	SPANISH	SPANISH	SPANISH	SPANISH	SPANISH	AUSTRALIAN	DANISH	PERUVIAN	SPANISH	SPANISH	GERMAN	SPANISH
	Positions as directors at other listed companies	0	1	0	0	0	2	4***	1	0	2	1	2
	Age	64	73	57	66	75	70	57	65	70	61	56	51

Information updated as of February 2023
C: Chairman of the Executive Committee, Chairman of the Audit and Control Committee and Chairman of the Nomination and Remuneration Committee.
*Figures in parentheses reflect the attendance of each Director at meetings of the Board and its Committees.
**Hanne Sørensen delegated representation at the meeting of the Nomination and Remuneration Committee which she did not attend.
*** Hanne Sørensen will not stand for re-election at Sulzer's Annual General Shareholders' Meeting to be held in 2023.

BOARD EXPERIENCE

INDUSTRIES

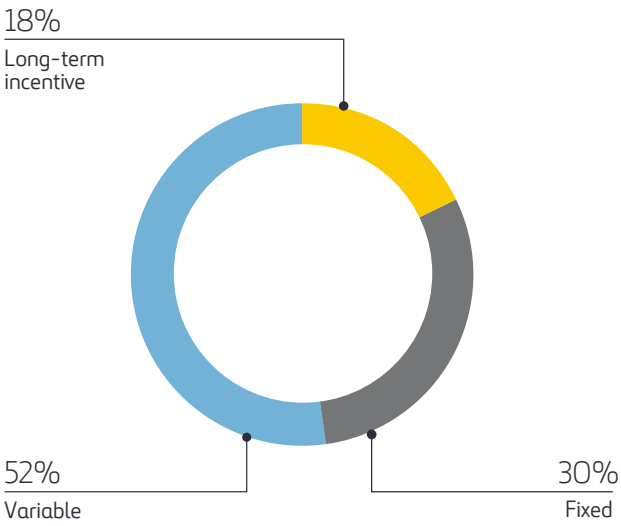


REMUNERATION

ESG factors

The remuneration of Ferrovial's Board of Directors is determined on the basis of best market practices, supported by remuneration studies carried out by external advisors, internal rules and applicable legal regulations.

COMPONENTS OF THE CHAIRMAN'S REMUNERATION



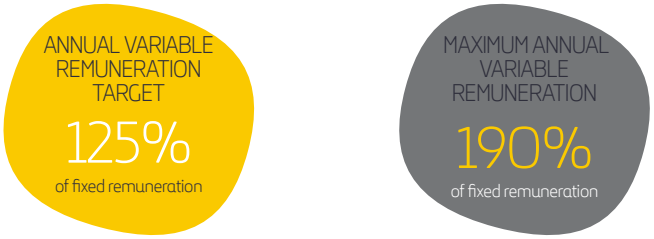
The current Remuneration Policy for Ferrovial's Directors is based on the following principles and criteria:

- Long-term value creation, aligning remuneration systems with the Strategic Plan, the interests of shareholders and other stakeholders and long-term sustainability.
- Attraction and retention of the best professionals.
- External competitiveness in setting remuneration with market references through analysis with comparable sectors and companies.
- Periodic participation in plans linked to action and linked to the achievement of certain profitability metrics.
- Responsible achievement of objectives in accordance with the Risk Management Policy.
- Maintenance of a reasonable balance between the different components of fixed and variable remuneration (annual and long-term), reflecting appropriate risk-taking combined with the achievement of defined objectives.

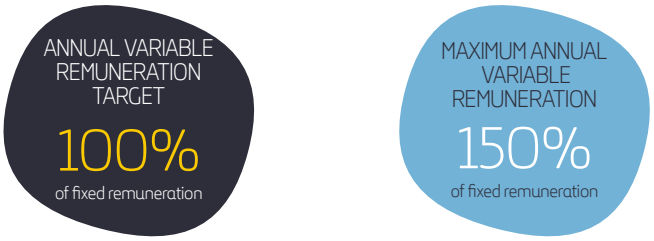
EXECUTIVE DIRECTORS' REMUNERATION (THOUSAND €)*	FIXED	VARIABLE	SHARE PLAN	OTHER (1)	TOTAL 2022	TOTAL 2021
Rafael del Pino y Calvo-Sotelo	1,500	2,609	883	10	5,002	4,274
Ignacio Madridejos Fernández (2)	1,150	1,538	183	5	2,876	2,387
TOTAL	2,650	4,147	1,066	15	7,878	6,661

* Remuneration for their status as Executive Directors.
(1) Life insurance premiums.
(2) During 2022, the amount of 8 thousand euros has been imputed to Mr. Ignacio Madridejos as remuneration in kind corresponding to a company car.

CHAIRMAN'S ANNUAL VARIABLE REMUNERATION



CEO'S ANNUAL VARIABLE REMUNERATION



- Transparency in the remuneration policy and in the remuneration report.

FIXED COMPONENTS

The fixed remuneration of the Executive Directors is determined on the basis of the market references of a comparison group of 24 national and international companies in their reference markets.

VARIABLE COMPONENTS

Only Executive Directors have variable component elements attributed to them in their remuneration. It consists of annual variable remuneration and long-term incentive plans.

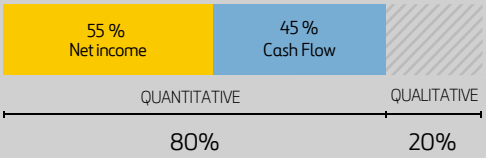
a) Annual variable remuneration 2022

It is linked to individual performance and the achievement of specific economic-financial, industrial and operational objectives, predetermined, quantifiable and aligned with the corporate interest and contemplated in the Strategic Plans. The quantitative objectives are made up of metrics that guarantee an adequate balance between the financial and operational aspects of the company's management. The qualitative objectives and those related to environmental, social and corporate governance (ESG) factors are linked to the evaluation of the individual performance of the Executive Directors.

The target amount of the annual variable remuneration of the Executive Directors which corresponds to a standard level of achievement of the objectives, is 125% of the fixed remuneration for the Chairman, with a maximum of 190%. For the Chief Executive Officer, a target variable remuneration equivalent to 100% of the fixed remuneration with a maximum of 150% has been established.

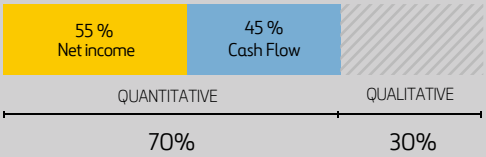
COMPONENTS OF THE CHAIRMAN'S REMUNERATION

CHAIRMAN



- Functioning of the Board and the Executive Committee.
- Strategic plan.
- Environmental, social and governance (ESG) factors:
  - Corporate Governance.
  - Successions.
  - Institutional Relations.

CEO



- Strategic plan.
- Environmental, social and governance (ESG) factors:
  - Employee health and safety, measured through the Company's accident rates.
  - Promotion of Innovation, Corporate Social Responsibility and Diversity, Reduction of emissions and Sustainability.
  - Development of professional teams that guarantee stability in the management and achievement of the organization's strategic objectives.
  - Adjustment and monitoring of procedures linked to the assumption of controlled risks.
  - Relationship with stakeholders.

These objectives are shared in cascade to different members of Senior Management. Specifically, approximately 30% of the number of objectives of the members of the Management Committee are ESG and represent an economic weight of 13% of their target variable remuneration (approximately 40% of their non-financial variable remuneration). For further information, please refer to the Annual Report on Directors' Remuneration available on the website: www.ferrovial.com.

b) Long-term Incentive Plans

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

They are structured in overlapping multi-year cycles (currently three years), with units being allocated each year, which are converted into shares at the end of the cycle (currently three years). For the current plan (period 2020-2022), they are determined by the relative weight of the metrics in the attached table.

In addition, the new 2023-2025 Performance Share Plan is expected to be submitted for approval at the next General Shareholders' Meeting, which will include a metric related to ESG factors, including greenhouse gas reduction, diversity and occupational health and safety targets.

SHARE PERFORMANCE PLAN 2020-2022 (Allocation 2022)		% PAYOUT
ACTIVITY CASH FLOW (50%) [1]		
Maximum	≥1,635 M€	50%
Minimum	≤849 M€	0%
TOTAL STOCKHOLDER RETURN COMPARED TO A GROUP OF COMPANIES (50%)		
Maximum	Positions 1 a 3	50%
Minimum	Positions 10 a 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.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors is determined by an allowance (fixed plus supplementary) and per diems. Their remuneration is at the median of the remuneration of Non-Executive Directors of the Ibex 35.

Ferrovial's internal regulations establish that the remuneration of External Directors shall be such as is necessary to adequately compensate them for the responsibility and dedication required by the position, without compromising their independence.

Remuneration formulas consisting of the delivery of shares, options, instruments referenced to the value of the share or linked to the company's performance will be limited to Executive Directors.

New Directors' Remuneration Policy

At its meeting held on April 7, 2022, the General Shareholders' Meeting approved a new Directors' Remuneration Policy with 95.81% of votes in favor. Likewise, the Annual Remuneration Report was approved with 95.25% of votes in favor.

REMUNERATION OF SENIOR MANAGEMENT*

SENIOR MANAGEMENT REMUNERATION (THOUSANDS OF €)	2022	2021
Fixed remuneration	4,755	5,636
Variable remuneration	4,822	5,033
Share Plan linked to objectives	1,629	1,494
Other [1]	51	48
Other [2]	0	6,990
TOTAL	**11,257**	**19,201**

(1) Life insurance premiums/Council memberships in other subsidiaries.
(2) Separation of three members of the Management Committee in 2021 (amount subject to income tax) and an incorporation bonus.
*The Senior Management average remuneration is not broken down by gender in order to keep it confidential, given that there is only one woman in this group.

More information on the remuneration of the Board of Directors and Senior Management, and on the Remuneration Policy is available on Ferrovial's website: www.ferrovial.com.

Board of Directors*



RAFAEL DEL PINO

Chairman

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 is also 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. Also, he was a member of the MIT Corporation and the Harvard Business School European Advisory Board.
- Other information: Mr. Rafael del Pino has a controlling interest in the shareholder Rijn Capital B.V.

ÓSCAR FANJUL

Vice-Chairman

External Independent Director

- Director of Ferrovial since 2015.
- Director of Marsh & McLennan Companies. Trustee of the Center for Monetary and Financial Studies (Bank of Spain), of the Aspen Institute (Spain) and of the Norman Foster Foundation.
- Former founding Chairman and CEO of Repsol; Chairman of Hidroeléctrica del Cantábrico; Non-Executive Chairman of NH Hoteles and Deoleo; Non-Executive Vice-Chairman of Holcim; 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).

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.
- Chairperson of the Rafael del Pino Foundation. Legal representative of Menosmares, S.L., that holds the positions of rotating Chairperson/Vice-Chairperson of the Board of Directors of Casa Grande de Cartagena, S.A.U. and Vice-Chairperson of the Board of Directors of Pactio Gestión, SGIIC, S.A.U. Member of the Board of Trustees of the Princess of Asturias.
- Other information: Ms. María del Pino is a majority shareholder, as well as Director and CEO of the shareholder Menosmares, S.L.



*Information updated as of February 2023.



JOSÉ FERNANDO SÁNCHEZ-JUNCO

Other External Director

- Degree in Industrial Engineering (Polytechnic University of Barcelona). ISMP Graduate (Harvard Business School) and member of the State Corps of Industrial Engineers (on leave since 1990).
- Director of Ferrovial since 2009. Director of Cintra between 2004 and 2009.
- Honorary Chairman of MaxamCorp Holding 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 and Uralita.

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





HANNE SØRENSEN

External Independent Director

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

* Hanne Sørensen will not stand for re-election at the 2023 Sulzer Annual General Shareholders' Meeting.

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 (Peru).
- Director of Ferrovial since 2018.
- Non-Executive Director of Cummins and Taiger; 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, Finance and Accounting (Columbia Business School).
- Director of Ferrovial since 2019.
- Director of Inmoglaciar 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 Economics and Political Sciences (Yale University). MBA (*Instituto de Empresa*, Madrid).
- Director of Ferrovial since 2019.
- CEO of Talgo; Non-Executive Director of Gestamp Automoción; Chairman of the Hesperia Foundation; member of the Board of Trustees of the Princess of Asturias Foundation.
- Former Chairman of Abengoa and 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 companies.





HILDEGARD WORTMANN
External Independent Director

- Degree in Business Administration (University of Münster, Germany); MBA from the University of London.
- Director of Ferrovial since 2021.
- Member of the Extended Executive Committee of Volkswagen Group; member of the Board of Management of Audi AG as Head of Sales and Marketing; Non-Executive Director of Volkswagen Financial Services AG and of the Supervisory Board of Porsche Holdings, Porsche Austria and Porsche Retail.
- Former Senior Vice-President for Product Management, Senior Vice-President for the Brand and CEO for the Asia-Pacific region of the BMW Automotive group; Non- Executive Director of the Supervisory Board of Cariad and various management positions at Unilever in Germany and United Kingdom.

ALICIA REYES
External Independent Director

- Degree in Law, Economics and Business Administration (*Universidad Pontificia de Comillas de Madrid*, ICADE); PhD (*summa cum laude*) in quantitative methods and financial markets from the same university.
- Director of Ferrovial since 2021.
- Independent Director of Banco Sabadell; Independent Director of KBC Group and Director of its affiliate KBC Bank; Guest Professor at the Institute of Finance and Technology in the School of Engineering at the University College London (UCL).
- Former CEO for the EMEA region of Wells Fargo Securities; Director of TSB Bank; Global Head of structuring in the investment banking division and Global Head of insurance solutions and strategic equity derivatives of Barclays Capital; Country Manager for Spain and Portugal at Bearn Stearns; Chief Investment Officer of the Abengoa group's venture capital fund specialized in technology (Telecom Ventures). She previously worked for Deutsche Bank.



SANTIAGO ORTIZ VAAMONDE
Secretary

- 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 in the litigation and regulatory departments of two well-known law firms; 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.



Gran Vía street lighting in Madrid, Spain.

Executive Committee



IGNACIO MADRIDEJOS
CEO Executive Director

Civil Engineer (Polytechnic University of Madrid); MBA (Stanford University). He has developed his career in the United States, Europe, Latin America and Africa. He was Construction Manager at Ferrovial Construction between 1990 and 1992. Consultant for McKinsey in Spain and Argentina between 1993 and 1996. In 1996 he joined CEMEX, where, among other positions, he has been CEO for Egypt (1999) and Spain (2003), Global Head of Energy, Safety and Sustainability (2011), President for Northern Europe (2008) and for the United States (2015). He has also been Chairman of Oficemen, and Chairman of CEMBUREAU (European Cement Association). In October 2019, he was appointed CEO of Ferrovial.

DIMITRIS BOUNTOLOS
Chief Information and Innovation Officer (CIIO)

Civil Engineer from the University of Granada. Graduate in different senior management courses at Stanford, ESADE and IESE. During his career as an entrepreneur it is worth mentioning his participation as founder and partner in different startups in the space sector, drones, employee experience, etc. as Zero 2 Infinity, Guudjob, BlueSouth and IllusionBox. He has held various positions of responsibility in Iberia, including the direction of transformation and development of the Hub and the Vice President of Customer Experience, he has also been Chief Digital Officer at Latam Airlines, senior advisor to the Chief Innovation Officer of NASA in Houston; and digital transformation for the Travel, Transport and Logistics sector at McKinsey.





LUKE BUGEJA
Chief Executive Officer of Ferrovial Airports

MBA from Deakin University and Diploma in Tourism from William Angliss College (both in Melbourne). He has spent most of his career in the aviation and airport infrastructure industry, with operational, commercial and financial experience in airline, airport and investment management. Most recently, he was an operating partner of Hermes GPE and was responsible for its transportation investments. Previously, he held senior executive positions with OMERS (Ontario Municipal Employees Retirement System), Ontario Airport Investments and Macquarie Bank Limited / MAp Airport. Over a period of 14 years, he has held senior positions at Changi Airports International in Singapore and at airports in London City, Brussels and Bristol. He has 16 years of experience in the airline business, having worked at Virgin Blue and Qantas Airways. In May 2021, he was appointed CEO of Ferrovial Airports.

CARLOS CEREZO
Chief Human Resources Officer

He has a degree in Philosophy from the Complutense University of Madrid, Master's Degree in HR Management from CEU and Executive MBA from the Instituto de Empresa. He joined Ferrovial in 2006, holding the position of Director of Human Resources and Communication of Ferrovial Services since 2015. Previously, he was Director of Corporate HR Development and Director of Corporate HR. In 2020, he was appointed General Manager of Human Resources. Prior to joining the company, he held various positions of responsibility in the field of Human Resources consulting at IBM and PWC.





IGNACIO GASTÓN
Chief Executive Officer of Ferrovial Construction

Civil Engineer from the University of Cantabria and MBA from the London Business School. He joined Ferrovial in 1995 and during his professional career has held various positions of responsibility in the Construction and Services divisions. In 2003 he joined Amey, moving in 2007 to the position of Director of Ferrovial Construction in the United Kingdom. In 2013 he was appointed Managing Director of Ferrovial Services Spain, a position he held until he was appointed CEO of Ferrovial Construction in November 2018.



ERNESTO LÓPEZ MOZO
Chief Financial Officer (CFO)

Civil Engineer from the Polytechnic University of Madrid and 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 the Telefónica Group, JP Morgan and Banco Santander. He worked in Civil Engineering before obtaining his MBA degree. Member of the IFRS Advisory Council (2013-2015). He is Vice Prseident of the Audit and Control Committee and member of the Board of Directors of Aegon España, S.A.

GONZALO NIETO
Chief Executive Officer of Energy Infrastructure and Mobility

Degree in Physics from the Complutense University of Madrid and MBA from the Stern School of Business, (New York University). He joined the Business Development Department of Ferrovial Services in 2004. He held positions in several companies of the division managing and developing business in several countries in Europe, America and the Middle East. Prior to joining the company, he worked at McKinsey and Merrill Lynch. In October 2021, he was appointed CEO of Ferrovial Energy Infrastructure and Mobility.





SANTIAGO ORTIZ VAAMONDE
General Counsel

Spanish State Attorney (on voluntary leave); PhD in Law from the Complutense University of Madrid. General Counsel and Secretary of the Board of Directors of Ferrovial since 2009. He has been a partner in the litigation and regulatory departments of two well-known law firms; agent of the Kingdom of Spain before the Court of Justice of the European Union; and professor at the Diplomatic School and Carlos III University.

MARÍA TERESA PULIDO
Chief Strategy Officer

Bachelor's degree in Economics from Columbia University and MBA from MIT Sloan School of Management. She has developed her career in the United States, Spain and Venezuela. In 2011 she joined Ferrovial as Director of Corporate Strategy. Previously she held various positions in banking at Citi, Deutsche Bank, Bankers Trust, Wolfensohn and in consulting at McKinsey. Since 2014 she is a member of the Board of Directors of Bankinter, since 2006 she is part of the MIT Sloan Executive Board (EMSAEB) and of the Board of the Eugenio Mendoza Foundation.





ANDRÉS SACRISTÁN
Chief Executive Officer of Cintra

Civil engineer from the Polytechnic University of Madrid, Andrés Sacristán joined Cintra in 2001. He began his career in the company in the parking lots division where, after several positions, he was Development Director, later moving to Cintra's toll roads area, holding the position of Operations Director of Eurolink M4 (Ireland) and then General Manager of Radial 4 in Spain. In 2010 he was appointed Director of Spain and member of Cintra's Executive Committee. Three years later, in 2013, he was appointed Director of Europe, also assuming since 2015 the business in the new markets of Australia and Colombia. In 2017 he made the leap to North America, the company's main market. Since then, he assumes new responsibilities by being appointed CEO of the 407 ETR toll road, in Toronto (Canada). In 2020, Andrés Sacristán began a new phase, taking over the management of Cintra in the United States, where the company has five Managed Lanes, its most innovative assets. In 2021, he was appointed CEO of Cintra.



6 Expected Business Performance 2023

134 Expected Business Performance 2023



I-35 Waco, Texas, United States.

Expected Business Performance

TOLL ROADS

In 2023, traffic is expected to increase on all assets above the level of 2022, a year in which mobility was affected by the Omicron variant of COVID-19 and restrictions reintroduced by the province of Ontario (Canada), which were gradually eased and lifted in the first quarter of the year. Traffic showed a solid month-over-month recovery during 2022 and is expected to continue to improve during 2023. At some assets in the U.S., traffic is expected to exceed pre-COVID levels, although with differences by geography.

In 2022, €388 million of dividends were received, compared to €469 million in the previous year. In 2023, the main infrastructure assets are expected to continue to distribute dividends consistently according to their operating performance. In addition, NTE35W is expected to start distributing dividends once the 3C segment opens to traffic. Cintra will focus its efforts on maximizing the quality of the service provided by optimizing its revenues and costs, within the framework allowed by the concession contracts. The expected evolution by geography is as follows:

- In **Canada**, the 407 ETR toll road was impacted during the first quarter of 2022 by mobility restrictions imposed due to the Omicron variant surge. Despite this, traffic showed a solid month-to-month recovery path, with Q4 2022 recording the highest traffic data since the start of the pandemic. During 2023, the 407 ETR will continue to focus on optimization and cost control measures, without abandoning the development of its strategy of generating value for the user. The toll road will maintain its investment in the Data Lab to better understand user behavior and be able to personalize its value propositions, as well as improve its customer management systems, which will enable it to offer more personalized attention through loyalty plans and individualized offers.
- In the **United States**, some assets exceeded pre-COVID traffic levels in 2022, even though they were affected by the mobility impact of the Omicron surge in January and February. This evolution 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 taking advantage of the tariff flexibility of Managed Lanes contracts. The current inflationary context will imply an increase in revenues from the Dallas Managed Lanes, where the soft cap will increase in 2023 compared to the previous year. In this regard, the full opening of I-66 in November 2022, and the expected opening of segment 3C of NTE35W in 2023, will significantly increase revenues in the US market.
- In **Australia**, Cintra will continue to manage the Toowoomba Expressway, and the Western Roads Upgrade project that fully opened to traffic in November 2021.
- In **India**, where IRB Infrastructure Developers Ltd manages 22 projects and more than 2,500 kilometers of toll roads in India, it is expected to reach significant milestones in its development pipeline during 2023.
- In the **remaining markets**, Cintra will continue to operate the assets already in operation, including the D4R7 toll road in Slovakia, which opened to traffic in its entirety in October 2021. It will also complete the opening to traffic of several sections of the Ruta del Cacao, in Colombia, and will continue with the execution of the construction of Silvertown, in the United Kingdom.

In November 2022, NextPass, a mobile application for iPhone and Android that allows payment on any toll road, bridge, tunnel or express lane in Virginia, was launched, and is expected to expand its reach in 2023 to other US states such as California, Texas and North Carolina.

The company will continue its bidding activity in the company's target regions (North America, Europe, Australia, Colombia, Chile and Peru), focusing on complex greenfield projects, given their high potential for value creation. Cintra has been prequalified in two processes in the USA: SR400 Managed Lanes in Atlanta (Georgia) and I-10 Calcasieu River (Louisiana).

AIRPORTS

In 2023, traffic is expected to increase at all airports to figures close to those of 2019 and even higher in the case of Dalaman.

- Heathrow: 67.2 million passengers (83% of 2019 levels).
- AGS: 11.1 million passengers (82% of 2019 levels).
- Dalaman: 5.0 million passengers (3% above 2019 levels).

On June 28, the CAA published its Final Proposals for the H7 period at Heathrow. This proposed an average rate of £24.14 (2020 CPI) for the whole period. Heathrow responded to the CAA's Final Proposals on August 9 detailing why implementation of its Final Proposals would result in an airport that is well below what passengers expect. Heathrow currently expects the CAA to issue the final decision for the H7 review along with associated license modifications early in the new year.

The New Terminal One project will continue with the execution of Phase A construction and airline negotiations, among other activities, with a view to the Terminal opening in 2026.

Having developed a highly successful and sophisticated demand-driven model, Vertiports' strategy for 2023 is focused on continuing to grow and build strong relationships with key stakeholders in the emerging industry; continuing to build an experienced and versatile team; and pursuing the siting and leasing of sites in certain key markets to advance the network to coincide with the anticipated certification and deployment of eVTOLs aircraft in the coming years.

Ferrovial Airports has not distributed dividends in 2022. In the coming years, dividend payments will depend largely on traffic recovery and business performance.

Ferrovial Airports offers in-depth knowledge of the sector and a consistent track record in building strong relationships with partners and stakeholders. During 2023, Ferrovial Airports will continue to analyze investment opportunities that arise around the world, placing special emphasis on those identified as sustainable and high concession value infrastructures.

ENERGY INFRASTRUCTURE AND MOBILITY

During 2022, mobility has recovered to levels close to those prior to the COVID-19 pandemic, confirming some trends such as electrification or the use of alternative means to owning a vehicle. These patterns will continue and will have a positive impact on Zity and Inspiration Mobility.

In Energy Infrastructure, it is important to distinguish between generation and transmission:

- In the area of renewable electricity **generation**, Ferrovial will continue with the execution of greenfield projects in the main markets, with a technology-independent approach. The company will continue to seek profitable acquisitions that will help it accelerate its growth and learning in this sector.
- In **transmission**, the company will continue to focus on expanding its assets, mainly in Chile, participating in public and private tenders, leveraging its existing presence and accelerating its integration throughout the value chain.

In the area of the circular economy, it will maintain its relationship with its customers in the United Kingdom, increasing plant utilization and, with it, both the generation of recycled material and renewable electricity.

Finally, in the area of ancillary services to the public and private sectors in Chile and Spain, it expects to continue to respond effectively to the needs of its customers, ensuring the reliability of their facilities and processes, as well as providing improvements in effectiveness and efficiency to help them mitigate the adverse effects of high levels of inflation.

CONSTRUCTION

In 2023, a stable level of sales is expected to be maintained with respect to the favorable positive figure achieved the previous year, supported by a record order book thanks to the important awards in 2022.

In terms of profitability, the 3.5% EBIT target set in the Horizon 24 Strategic Plan is maintained. In 2023, margins are expected to improve with respect to the previous year thanks to the mitigating and management measures adopted by the company to control inflation risk, including specific contingencies in new contracts, favored by price review formulas implemented by public administrations in countries such as Spain, Poland and Portugal, and by the completion of several of the contracts with the highest inflationary exposure, mainly in the USA.

The outlook for 2023, by market, is as follows:

- In **Spain**, sales are expected to grow compared to 2022 thanks to the good pace of contracting, with the award of several relevant contracts for railroads and for private clients, and once the delays in bidding derived from COVID-19 have been overcome. In the medium term, the application of the European Next Generation funds will maintain the momentum of tendering, in addition to the good dynamics of public railway and healthcare initiatives, and private initiatives in industrial, building and renewable energy projects.
- In the **US and Canada**, the favorable investment in transportation infrastructure by the states and provinces will continue, with the recently approved new Texas highway plan for the next ten years, supported by the Infrastructure Investment & Jobs Act, which doubles federal funds for investment in transportation infrastructure, and by the Canadian Infrastructure Plan. In the medium term, the pipeline continues to be high, with relevant P3/DBF projects in which Ferrovial is the leader together with Ferrovial Construction as a builder. A drop in the level of sales is expected for 2023 due to the completion of large projects with relevant execution in 2022, such as the I-66 highways in Virginia and I-285/400 in Georgia, and the slower pace of execution of new contracts that are in the design phase, such as the Ontario Line of the Toronto Metro and other works such as I-35 in San Antonio, which is still in its initial construction phase.
- In **Poland,** public tendering maintains good prospects thanks to the national road and rail investment plans until 2025-26, supported by the high level of funding allocation under the EU's new 2021-27 multiannual financial framework, which ensures future stability of investment in the country. In 2023, stability in sales is expected, maintaining the strategy marked by greater selectivity in bidding, prioritizing profitability and expanding its diversification in sectors such as renewable energies or waste treatment.
- In the rest of the **international markets**, a significant growth in turnover is expected, thanks mainly to the higher rate of execution of the large tunnel projects awarded in previous years, such as the Silvertown Tunnel in London or the Sydney Underground in Australia, as well as the recently awarded Coffs Harbour Bypass in New South Wales. Likewise, the future outlook for tenders continues to be good, maintaining a selective approach in Australia, although with a greater implementation after the latest important awards. In the United Kingdom, there are important tunnel and railroad projects, and in Latin America, road, power transmission line and renewable energy concession projects in conjunction with other Ferrovial divisions.



AV La Sagrera track assembly, Barcelona, Spain.

Appendix



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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.

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 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 undertaking 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 businesses that have been divested in the current period, or that are held for sale, which are presented in the Consolidated Profit and Loss Account as discontinued operations, to better explain the business performance, in the Management Report it has been included a separated breakdown of Revenues, EBITDA and Orderbook, despite 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.
- **Reconciliation:** the comparable growth is presented in separate columns on Business Performance section of the Management Report and its reconciliation in the Appendix included in the corporate web page.
- **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. Additionally, 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 growth breakdown is only shown for the current period compared with the previous period.
- **Consistency:** the criterion used to calculate the comparable growth is the same as the previous year.

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 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.

EX INFRASTRUCTURE LIQUIDITY

- **Definition:** is the sum of the cash and cash equivalents ex infrastructure projects and the committed short and long term credit facilities undrawn by the end of the period, corresponding to credits granted by financial entities which may be drawn by the Company within the terms, amount and other conditions agreed in the contract.
- **Reconciliation:** a detailed breakdown of the reconciliation of this figure is given in Note 5.2 Consolidated Net Debt of the Consolidated Financial Statement.
- **Explanation of use:** this is a financial indicator used by investors, financial analysts, rating agencies, creditors and other parties to determine the company's liquidity to cope with any commitment.
- **Comparisons:** the company does not present comparisons with previous years as it is not considered relevant information
- **Consistency:** this criterion is stablished for the first time to explain the liquidity of the Group.

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 4.4. Information on balances from contracts with customers and other disclosures relating to IFRS 15 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 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.
- **Explanation of use:** 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



Maintenance of 407 ETR Toll Road, Toronto, Canada.

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 2022 came to approximately 21.8 billion euros (22.4 billion euros at December 2021) and are made up of 26 concessions in 9 countries. The composition of managed investments by asset type is as follows:
  - Intangible Assets projects under IFRIC 12 (in operation), 11,532 million euros (11,056 million euros at 31, December 2021). 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 and fair value adjustments: 12,547 million euros of USA Toll Roads I-66, NTE, NTE35W, LBJ and I-77 (10,527 million euros at December 31, 2021). Additionally, 714 million euros are included in Spain (mainly Autema project) and 391 million euros from Azores are included in Other Toll roads.
  - Intangible Assets IFRIC 12 (under construction), no current projects under construction.
  - Accounts receivable projects under IFRIC 12: no current projects under development.
  - Consolidation using the equity method, 11,130 million euros (11,130 million euros at December 31, 2021). Includes both projects in operation and under construction that are consolidated using the equity method, such as 407ETR and extensions 4,582 million euros of 100% managed investment (4,182 million euros at December 31, 2020). 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 the contribution on the infra projects consolidated results in the proportion of Ferrovial's ownership in those projects, regardless to the applied consolidation method. This information is prepared to Revenues and EBITDA.
  - 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 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. It also reflects the actual contribution of construction work or contracts of companies that are fully consolidated but in which it does not have 100% shareholding.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criteria employed for calculating proportional results is not the same as the previous year, therefore 2021 has been adjusted to the criteria used in 2022. In the 2021 Annual Report, the proportional results applied a more simplified method, in which only the results of infrastructure projects were proportionally consolidated. The reason for the change is the possible relevance for investors to know the real contribution of the businesses of the rest of the Group's divisions, mainly Construction.

DIVIDENDS RECEIVED

- **Definition:** includes dividends received from companies consolidated under the equity method, as well as interest received on loans granted to companies consolidated under the equity method, classified under non-current financial assets in the balance sheet (Note 3.6 "Investments in associates" of the Consolidated Annual Accounts), as a result of certain exchange rate hedges related to dividends received, as well as dividends received from discontinued operations.
- In addition, as explained in note 5.3 "Cash flows" to the Consolidated Annual Accounts, in order to provide a more appropriate explanation of the cash generated, the Group separates "cash flows excluding infrastructure projects" in this note. In this regard, the definition of dividends received considered within these "cash flows excluding infrastructure projects" is extended to the collection of dividends from infrastructure projects of companies that are fully or proportionately consolidated, as well as other similar items, mainly interest on subordinated debt and participating loans, repayments of capital, debt and loans, as well as loans received from these projects whose repayment is unlikely.
- **Reconciliation:** dividends received are presented in the Consolidated Cash Flow Statement of the Consolidated Annual Accounts, and further information is presented in note 3.5 Investments in Associates. Finally, dividends received are presented in note 5.3 as "cash flows excluding infrastructure projects", which includes all dividends received from infrastructure projects, regardless of their consolidation method.
- **Explanation of use:** Dividends received have historically been one of the Ferrovial Group's main sources of cash flow and are a very appropriate measure for assessing the financial and operating performance of the different infrastructure projects in which Ferrovial Group participates.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the definition of Dividends Received included in the Annual Accounts has been modified to specify that it includes loans received from these projects whose repayment probability is uncertain.

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED

- **Definition:** information on the creation and distribution of economic value provides a basic indication of how an organization has generated wealth for shareholders. It includes information on revenue figures, operating costs, employee wages and benefits, financial expenses, and dividends and taxes.
- **Reconciliation:** data on economic value generated and distributed are presented in the Appendix to GRI Indicators, indicator 201-1, following the definition established by this standard. The figures for revenues, operating costs, salaries and employee benefits, financial expenses and dividends and taxes are detailed in the corresponding section of the Management Report and the Consolidated Financial Statements. The company presents the calculation of the economic value generated and distributed as follows: Economic Value Retained = Economic Value Generated [Revenues (sales + other operating revenues + financial revenues + fixed asset disposals + income from companies accounted for by the equity method)]. – Economic Value Distributed [consumption and expenses + personnel expenses + financial expenses and dividends + corporate income tax].
- **Explanation of use:** the data on economic value generated and distributed can be useful to know the economic figures that the company has distributed among its stakeholders and what economic value has been retained by the company in the form of liquidity.
- **Comparisons:** the company presents comparable data for the reporting year and the two previous years.
- **Consistency:** the criteria used to calculate this indicator is the same as in previous years, and the instruction of indicator 201-1 of the GRI Standards of the Global Reporting Initiative have been followed.

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. CR and Sustainability policies are based on the principles of the Global Compact and related internationally accepted agreements and resolutions, inspired by the Sustainable Development Goals to consolidate the company's position as a contributor to a more sustainable, innovative, inclusive and low-carbon economy. Ferrovial's Board of Directors is responsible for ensuring compliance with these principles, which the company has voluntarily assumed. Both policies are available at www.ferrovial.com.

The content of this Integrated Annual Report is in itself a Sustainability Policy report, which provides its stakeholders with detailed information on the policy's support instruments to ensure its effective compliance. The Sustainability Strategy, formulated in the Sustainability Strategic Plan 2030, and specific sustainability and CR practices are mentioned in their corresponding sections.

COMMITTEE

The Sustainability Committee is chaired by the Sustainability Director and is composed of representatives from the business units (Toll Roads, Airports, Construction, Energy Infrastructure and Mobility) and the corporate areas (Human Resources, General Secretariat, Health, Safety and Wellbeing, Information Systems and Innovation, Corporate Social Responsibility, Strategy, Investor Relations, Compliance and Risks, and Construction Procurement). On an annual basis, the committee chairman reports to the Board of Directors.

The Sustainability Committee is the link between the business units and the corporation and Senior Management, reporting on progress and results, and proposing actions to the Management Committee, as well as transmitting the approval of proposals and results to the rest of the company.

It has specific areas of action and objectives for each year and for the environmental, social and governance (ESG) areas. They are also aligned with the business strategy, Horizon 24, and cover Ferrovial's value chain, from customers to suppliers. These areas of action are as follows:

- Design, update and, if necessary, improve the Sustainability Strategy.
- Monitor and evaluate the company's performance in the area of sustainability based on established indicators and action plans.
- Propose working groups on specific issues.
- Share best practices of each of the areas in sustainability matters.

STRATEGIC PLAN

The Strategic Plan is an indispensable tool to ensure that CSR and sustainability are effective in fulfilling its mission and contributes to business development, the generation of trust among its stakeholders and the fulfillment of its medium and long-term objectives.

The Sustainability Committee has promoted the Sustainability Strategy 2030 Plan, elaborated taking into account the main global macro-trends, the regulatory and normative environment (United Nations 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, etc.), technological factors (energy transition and digitalization), environmental factors (climate change, water scarcity, biodiversity loss and public health), ESG investor requirements, the main reporting frameworks (Global Reporting Initiative, SASB and the TCFD), as well as CSR trend reports from various prestigious institutions. In addition, Ferrovial has been recognized by AENOR as the first company to certify its Sustainability Strategy with the United Nations Sustainable Development Goals.

It has specific areas of action and objectives for each year and for the environmental, social and governance (ESG) areas. They are also aligned with the business strategy of the Horizon 24 plan, and cover Ferrovial's value chain, from customers to suppliers. These areas of action are as follows:

- Contribute to Decarbonization.
- Reduce carbon footprint.
- Adapt to the risks of climate change.
- Promote businesses that solve global environmental challenges.
- Promote a Taxonomy portfolio.
- Foster economic development and engage with local communities.
- Improve people's quality of life.
- Improve health, safety and wellbeing.
- Promote diverse and inclusive talent.
- Sustainability at the core of the business to create long-term value.
- Be a reliable long-term partner.

Each year, the degree of compliance with the proposed goals and their contribution to the SDGs is monitored.



South Quay Expansion, Port of Huelva, Spain.

The total results for 2022 are presented in the graph below::



INDEXES

Ferrovial is periodically evaluated by analysts who take into account the company's ESG performance. In 2022, the company was included in the main sustainability indexes:

- Dow Jones Sustainability Index (DJSI): Ferrovial has been a member of this index for the last 21 years.
- FTSE4Good: the company has been a member of this index for the last 19 editions.
- CDP (Carbon Disclosure Project): highest "A" rating for its commitment to the fight against climate change and "A-" in CDP Water.
- MSCI: "A" rating.
- Morningstar Sustainalytics: in May 2022, Ferrovial, S.A. received an ESG Risk Rating of 26.2, being assessed by Sustainalytics as having a medium risk of experiencing material financial impacts derived from ESG factors. This rating places Ferrovial in the top 7% of companies in the Construction and Engineering sector rated by Sustainalytics. In addition, in 2022 Ferrovial was recognized by Sustainalytics as an ESG Industry Top-Rated Company within its sector.
- Moody's: member of the Euronext Vigeo Europe 120 index.
- STOXX: the company is part of this index for the eighth consecutive year.
- ISS ESG: Prime category.
- GRESB: 88 points, highest "A" rating.

Reporting principles

SCOPE OF INFORMATION

Ferrovial is made up of the parent company, Ferrovial S.A., and its subsidiaries. For detailed information on the companies included, the scope of consolidation can be consulted in the Consolidated Annual Accounts.

During 2022 there have been operations that have led to changes in the perimeter due to the acquisition of companies, the awarding of new contracts or the start of new businesses. There have also been company restructurings. In 2022, the divestments of the Services division continued, with the sale of the Infrastructure Services business in Spain and the sale of Amey, a subsidiary in the United Kingdom, standing out. We also acquired 60% of Dalaman Airport in Türkiye.

For further information, please refer to pages 48-71 of the Business Performance.

CONSOLIDATION PROCESS

The report includes all companies in which Ferrovial has economic control, meaning as a shareholding of over 50%. In these cases, 100% of the information is reported. The list of subsidiaries and associates can be found in Appendix II of the Consolidated Financial Statements, page 284. Although the Services business is treated as an activity classified as financially discontinued, as it is available for sale, in order to comply with the requirements of Law 11/2018 on non-financial information it does include this division in its perimeter, offering a complete view of all aspects and impacts of the business. Therefore, in cases where it is considered material, data from the Services division will be disaggregated.

Likewise, following the indications of the GRI Sustainability Reporting Standards, Ferrovial provides information on indicators and material aspects "outside the organization", when these data are of 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, entities in which its shareholding does not reach 50%. Some indicators of interest associated with these assets are those relating to indirect emissions (scope 3), user satisfaction, or the number of passengers transiting through the airports.

TRACEABILITY

Ferrovial guarantees the traceability of information relating to Corporate Responsibility thanks to a reporting system, in place since 2007, which allows detailed information to company level, facilitating partial consolidations by geography or business. During 2022, the information requested was periodically reviewed 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 made it easier for corporate management to collect quarterly information for management and internal reporting to Senior Management.

In 2022, the reporting system enabled the collection of 487 quantitative and qualitative indicators, in 96 companies, thanks to the collaboration of 220 users.

REFORMULATION OF INFORMATION

During 2022 there have been a number of changes in the perimeter of companies that may affect the comparability of the data contained in the Report, although in general they are not particularly relevant in comparison with the company as a whole. In order to guarantee maximum transparency and comparability of the data, the body of the report itself indicates when any indicator from previous years has been modified or presents significant changes that affect the comparability of the information. Likewise, the Report takes into account most of the recommendations on the Statement of Non-Financial Information of the National Securities Market Commission (CNMV).

STAKEHOLDERS

Ferrovial is committed to transparency of the information it shares with the market, through continuous improvement of communication channels with all its stakeholders, based on innovative corporate information that, in addition to financial aspects, takes into account environmental and social variables.

The company considers stakeholders to be individuals or social groups with a legitimate interest who are affected by its present or future actions. This definition includes both stakeholders who are part of the company's value chain (shareholders, employees, investors, customers and suppliers), considered as partners in the development of the business, and external stakeholders (administrations, governments, the media, analysts, the business sector, trade unions, the third sector and society in general), starting with the local communities in which the company carries out its activities.

This relationship is dynamic, as the environment is changing at an increasingly rapid pace. Ferrovial's business depends to a large extent on relations with the Public Administrations of the countries in which it operates. Ferrovial holds decision-making positions in organizations that promote Corporate Responsibility at national and international level, such as the SERES Foundation, Forética, the Spanish Global Compact Network, the CEOE's CSR Committee and the Spanish Association for Quality (AEC). In 2022, Ferrovial held the presidency of the Spanish Group of Green Growth, the CEO is a member of the Executive Committee of Seres Foundation, and a representative of the company was also appointed secretary general of Forética, a position that will become effective in 2023 and 2024. The company also collaborates with other organizations that promote sustainability in



Dalaman Airport, Türkiye.

different areas, such as the Green Building Council (GBCe), Climate-KIC, Corporate Leaders Group, Pact for the Circular Economy, EU Green Growth Group, Business and Climate Foundation, We Mean Business and European Climate Pact.

Ferrovial is characterized by absolute political neutrality, carrying out its activities for both public administrations and private clients in the countries where it operates. The company does not make financial or in-kind contributions to political parties or electoral candidates. However, Ferrovial is a member of business representation organizations or foundations for commercial exchange between countries linked to the development of its activity or the geographical area in which it operates. Through its presence and collaboration with these organizations, the company aims to contribute to the progress and development of all those fields of action in which it is present. Among these contributions, the contributions made to the Association of Construction Companies and Infrastructure Concessionaires (SEOPAN) or the World Economic Forum stand out.

Ferrovial considers it appropriate to perform the materiality analysis on a biennial basis, as there are no significant variations in material issues over a shorter time horizon. Given that the materiality analysis is an ongoing process, this study complements those performed in previous years, its last edition was performed in 2020. However, in the 2022 edition, issues have been considered from a financial and non-financial point of view, applying the concept of double materiality. Ferrovial executives were asked about the potential financial impact on the company's accounts of the issues identified (financial relevance), while other stakeholders were asked about the importance of these same issues for a company such as Ferrovial (non-financial relevance).

The analysis process was developed in several phases:

- Identification and validation of issues. By consulting various relevant sources of information (GRI, SASB, World Economic Forum Global Risks, media coverage, sector reports by KPMG, Deloitte and PWC, rating agencies and ESG investors, as well as the materiality of 2020, 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 and business managers, and a final list of 17 issues was determined.
- Determination of financial relevance. By means of an online survey addressed to the company's managers, both from corporate areas and business units, in the main geographies in which Ferrovial operates (USA, Canada, United Kingdom, Spain, Poland), they were asked to evaluate and prioritize the material issues identified.
- Determination of non-financial relevance. Prioritization of issues based on a survey of the different stakeholders (suppliers, customers, NGOs, foundations, trade unions, etc.) in the main geographical areas in which Ferrovial operates.
- Prioritization. This is the result of graphically cross-referencing financial and non-financial relevance, which is specified in the double materiality matrix.

	2020	2021	2022
Contributions to political parties or candidates	0	0	0
Lobbying activities or sector associations	833,976	1,635,430	1,628,315
Trade Associations	99,785	154,875	119,700
Total contribution	**933,761**	**1,790,305**	**1,748,015**

DOUBLE MATERIALITY ASSESSMENT

For Ferrovial, material issues are all those that may have a substantial influence on the assessments and decisions of stakeholders, affecting the ability to meet their present needs without compromising future generations.

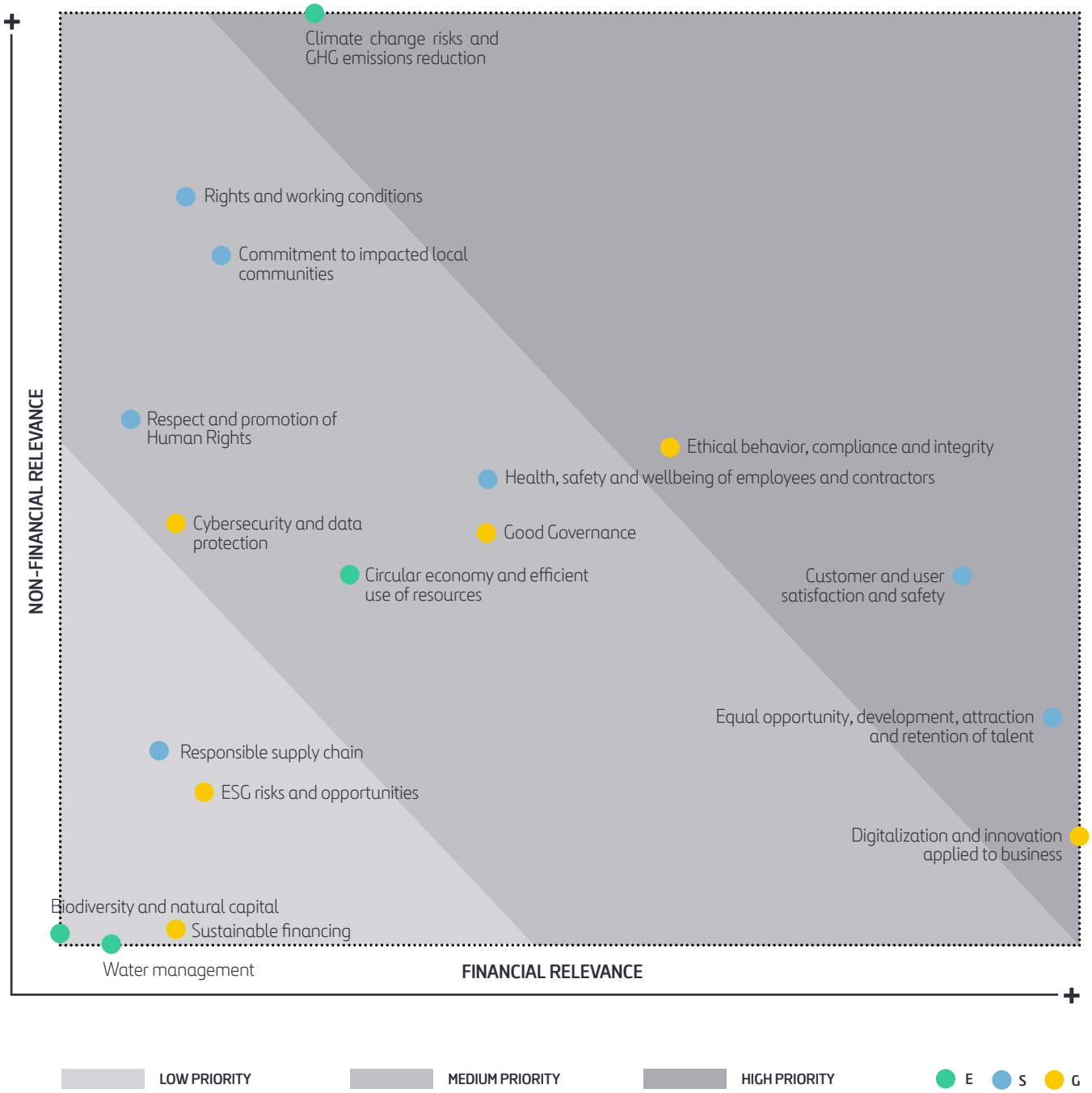
The double materiality analysis allows Ferrovial to identify and prioritize the most relevant issues for the company and for stakeholders, considering which of them may have a greater potential impact on the company's financial statements.

This analysis complies with the requirements established by the GRI and SASB reporting standards, which are the standards under which Ferrovial prepares its Integrated Annual Report, which require reporting only on what is material for the companies, avoiding non-relevant information. It also anticipates the European regulatory requirements that will be in force in the short term.

According to financial relevance, three issues stand out: "Digitalization and Innovation applied to the business", "Equal opportunities, development, attraction and retention of talent" and "Customer and user satisfaction and safety". This means that Ferrovial executives consider these to be the three issues with the greatest potential impact on the company's financial statements, although the impact is moderate or slight in any case.

The priority issues from a non-financial point of view are, in order of importance, "climate change risks and reduction of GHG emissions", "labor rights and conditions" and "commitment to impacted local communities". These results indicate that stakeholders consider these issues to be the most relevant in the ESG area.

MATRIZ DE DOBLE MATERIALIDAD





Pomeranian Metropolitan Railway, Gdansk, Poland. © José Manuel Ballester.

TAXONOMY

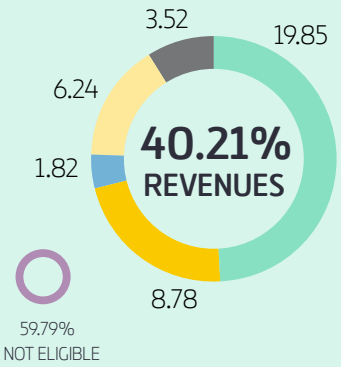
European taxonomy

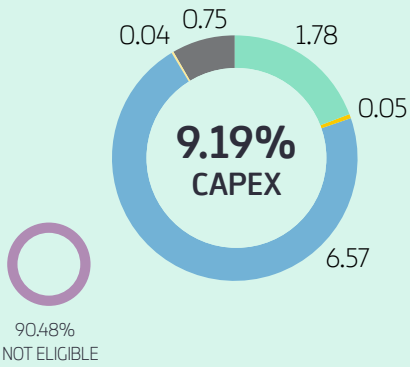
The second year of application of the European Taxonomy incorporates the alignment of mitigation and adaptation to classify businesses and corporate activities. Eligibility was determined last year. This is a key element for the decarbonization of the economy. Environment is the first component addressed. Social and governance will follow.

ELIGIBILITY

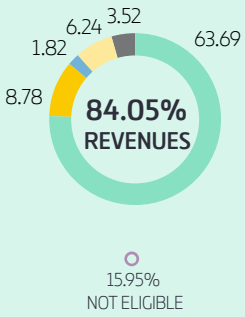
Transportation · Construction · Energy · Water · Others

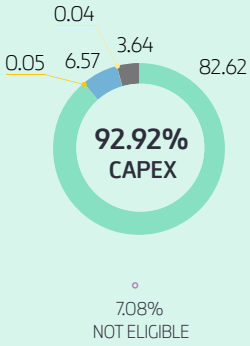
RESTRICTIVE SCENARIO





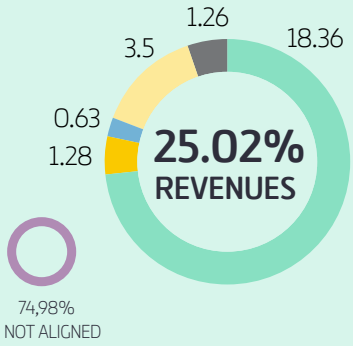
SECTORIAL SCENARIO

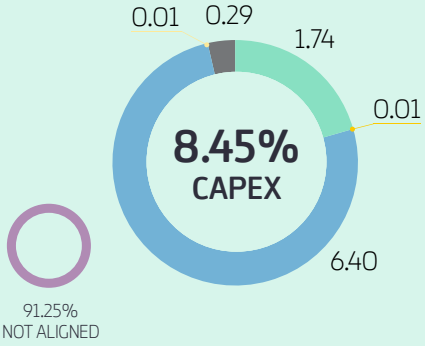




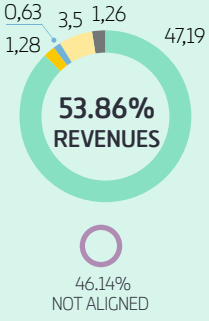
ALIGNMENT (OVER TOTAL GROUP)

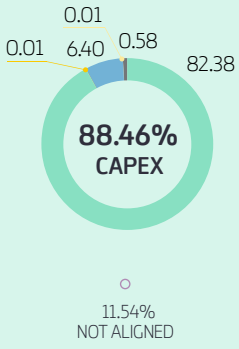
RESTRICTIVE SCENARIO





SECTORIAL SCENARIO





NOTE: the difference between the two scenarios is marked by activity 6.15.
Sectoral scenario: the interpretative criteria used are strictly those included in the guide "European Taxonomy applied to road projects".
Restrictive scenario: The difference with the sectoral scenario is that in this restrictive scenario, activity 6.15 is neither eligible nor aligned.

STAGES OF GREEN TAXONOMY



THE THREE COMPONENTS

ENVIRONMENT

- Climate change mitigation and adaptation
- Water, circular economy, pollution and biodiversity

SOCIAL

- Diversity, safety and health, labor rights and human rights
- Social impact and development

GOVERNANCE

- Board diversity and governance structure
- Senior Management Compensation

Taxonomy

INTRODUCTION

In compliance with the provisions of the European Union Regulation[1] (EU) 2020/852 to facilitate the redirection of capital flows towards more sustainable activities and according to the provisions of RD[2] (EU) 2021/2178, in the 2023 report, it is required to report the percentage of INCN (Net Turnover Amount), CapEX ("capital expenditure") and OpEX ("operation expenditure"), of the company's activities that adhere to the requirements of the taxonomy through the standardized reporting formats provided by RD2 (EU) 2021/2178 of the European Commission.

This chapter complies with the requirements set forth in RD[2] (EU) 2021/2178, which specifies the content, presentation of the information and methodology to be disclosed by companies subject to Articles 19a or 29a of Directive 2013/34/EU, based on activity data for the year 2022.

Continuing the taxonomy exercise carried out in the previous year, which ended with the publication of the eligible financial indicators according to the activities of the Delegated Regulation (RD)[3] (EU) 2021/2139, the eligible activities identified in the previous year have been reviewed, and subsequently, new ones have been identified.

During the taxonomy analysis and the process of calculating the financial indicators, on December 19, 2022, the European Commission published its clarification notes (DRAFT COMMISSION NOTICE[4]) for the interpretation aid for the criteria for the alignment of activities and its clarification notes for the interpretation in the implementation of Article 8 of the European Taxonomy[5]. These notes clarify part of the application criteria, although they do not clarify part of the criteria for some activities that present great sectoral uncertainty on the considerations for their interpretation. Additionally, in an exercise of transparency, companies are given the opportunity to justify their understandings through this report.

In the context of the taxonomy analysis, the **following concepts** are distinguished:

- **Eligible (tables revenues and CapEX)**: referring to activities with alignment potential included in (RD) (EU) 2021/2139 Annex I (mitigation) and Annex II (adaptation).
- **Ineligible (tables revenues and CapEX)**: referring to activities not included in (RD) (EU) 2021/2139, either by:
  - Generate a significant negative impact on EU objectives,
  - Not making a substantial contribution to climate change mitigation and adaptation,
  - Integration in future developments, revisions of the EU taxonomy, or approvals by the European Parliament and Council.

- **Aligned Eligible (tables revenues and CapEX)**: referring to eligible activities that meet the criteria of substantial contribution (SCC) to one of the objectives developed (mitigation or adaptation), that ensure that they do not significantly harm the rest of the objectives (HSDN) and that are carried out in accordance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (Social Minimum Safeguards).
- **Eligible non-aligned (tables revenues and CapEX):** eligible activities that do not meet any of the requirements of the alignment analysis phases described above (CCS, DNSH and Safeguards).

FERROVIAL'S POSITION

The relevance and need for new sustainable infrastructure becomes more important in the context of climate change mitigation and adaptation plans, highlighting the clear purpose of infrastructure companies where Ferrovial plays a key role. The Taxonomy reinforces the existing **Horizon 24 Strategic Plan** focused on the development, construction and operation of sustainable infrastructure, as well as mobility, water resource management, building and electrification.

Ferrovial's activities in construction, toll roads management, airports, energy infrastructure and mobility are a response to the objectives set by the EU. The company has the experience and capabilities to develop sustainable transport infrastructures that solve urban congestion and offer more innovative and low-carbon mobility alternatives.

Developing the company's purpose, Ferrovial is implementing innovative solutions in the field of digitalization, which, together with commitments to decarbonization, coincide with the search for safety on the route and reliability of travel times, which is demanded by the main customers. As an example of these practices, the "Managed Lanes" are proving to be a solution for operational efficiency committed to the environment and with successful cases already in operation, such as in Texas or North Carolina. These innovative solutions are in line with the need to implement the so-called " Intelligent Transport Systems (ITS)" promoted by the European Commission.

In addition, and in line with other activities included in the climate taxonomy, our best practices in wastewater management and water

1 Regulation (EU) 2020/852: https://eur-lex.europa.eu/ES/legal-content/summary/assessing-environmentally-sustainable-investments.html#: :text=Reglamento%20(UE)%20 2020%2F852%20del%20Parlamento%20Europeo%20y%20del,13%2D43).
2 RD (UE) 2021/2178: https://eur-lex.europa.eu/legal-content/ES/TXT/?uri=CELEX%3A32021R2178
3 Delegated Regulation (RD) (EU) 2021/2139: https://eur-lex.europa.eu/legal-content/ES/TXT/?uri=CELEX%3A32021R2139
4 DRAFT COMMISSION NOTICE (FAQs): https://ec.europa.eu/finance/docs/law/221219-draft-commission-notice-eu-taxonomy-climate.pdf
5 Interpretation in the implementation of Article 8 of the European Taxonomy: https://ec.europa.eu/finance/docs/law/221219-draft-commission-notice-disclosures-delegated-act-article-8.pdf

treatment, with noteworthy projects such as the "Thames Tideway Tunnel", in the construction of infrastructure for rail transport (California High-Speed Rail) and in the company's promotion of efficient energy management, production and transmission activities, stand out. In the energy sector, the company has boosted rapid growth through its energy subsidiaries, in line with the **Horizon 24 strategy** and which has gained significance with the development of taxonomy and other regulatory developments and European strategies.

Therefore, Ferrovial will continue to respond to the demands of both public and private clients, and will develop the necessary tools to provide solutions to future and current regulatory developments, developing and operating sustainable, innovative and efficient infrastructures, creating value for stakeholders.

Finally, Ferrovial sets out the technical criteria which, in its opinion and by virtue of the sectoral publications available at the date of this report, best enable compliance with the information on eligible activities and, where applicable, aligned , as well as the results of their application to the Group as a whole.

FERROVIAL PROCEDURE

Taxonomy implementation management

The implementation of the EU Taxonomy in a globally operating infrastructure Group has presented several challenges which have been addressed with an integrated top-down approach reaching the level of the minimum management unit i.e. contract/service/asset.

Accordingly, Ferrovial has deployed a specific **Action Plan** with several phases, starting with a process of understanding and interpretation of the taxonomy criteria involving the different business units, an internal training exercise and a compilation of information on taxonomic criteria involving all group companies included in the consolidation perimeter. This financial consolidation perimeter has served to delimit the scope of the taxonomy exercise by linking the compliance percentages directly to the figures obtained in the financial consolidation process.

As a result of this Action Plan and the need to deal with information in multidisciplinary teams, a Taxonomy governance model has been established, comprising the Economic-Financial, Communication and Corporate Social Responsibility and Sustainability departments.

As in the previous year, the company has started the taxonomy evaluation process in the identification of eligible and non-eligible economic activities, taking into account all the companies in which it has economic control, meaning a shareholding of more than 50%. In these cases, the totality of the information is reported. In relation to the companies sold during the 2022 financial year, these would be outside the scope of the analysis as they work with consolidated data at year-end[*].

During this process, identified 26 activities of those carried out by Ferrovial included in Annex I of (RD) (EU) 2021/2139 of activities that contribute to climate change mitigation.

In order to ensure traceability and making an effort in the calculation of taxonomic indicators to ensure their robustness, during this fiscal year specific taxonomy communication channels have been implemented and the collaboration of those responsible for each business analyzed has been sought (more than 300).

Throughout the process, the understanding developed by the company has been subjected to an external contrast, resulting in a sectorial understanding exercise at national and European level, where disparity of approaches on the taxonomy regulation and its application within the companies have arisen. In this aspect, it is worth mentioning the work carried out with the Association of Infrastructure Construction and Concession Companies (SEOPAN) and with the rest of the infrastructure operators, in the pursuit of clear guidelines for the homogeneous application of the criteria of the taxonomy regulation.

Financial considerations in the calculation of the taxonomy numerator and denominator

Due to the atomization of the company, in order to determine the eligibility of activities exhaustively, the analysis has been carried out at the level of the minimum management unit of the companies that consolidate in the Group, classifying each profit center under a single taxonomic activity and a single objective. This exercise has been automated in Ferrovial's accounting systems, which allows for better traceability of the data. In this sense, the financial and sustainability areas of the different Group companies have assigned the percentage of INCN, CapEX and OpEX that coincides with the description of the activities listed in the Delegated Climate Regulation based on the type of contracts, works or active services [*].

In order to avoid the computation of intercompany transactions, these percentages have been applied to the consolidated accounting figures of the companies under analysis. This individual allocation **makes it possible to link the indicators to the consolidated group figures presented in the annual accounts report, thus avoiding double financial accounting.**

Although Ferrovial carries out activities that could contribute to the climate change adaptation objective (included in Annex II of (RD) (EU) 2021/2139), in the analysis carried out in this first year of alignment the company has only considered the climate change mitigation objective, thus avoiding double counting in the calculation of financial indicators for the same profit center.

For the calculation of the taxonomy indicators expressed in this chapter, qualitative and quantitative information has been collected from eligible projects according to the criteria of each taxonomic activity identified to determine the monetary amounts to be included in the required denominators and numerators.

The considerations on the accounting notes included in each indicator are developed within the section "CALCULATION AND RESULTS BY KPI ANALYZED" in line with the previous year's report.

Understanding of taxonomy criteria by taxonomic activity groups

Currently, as of the date of this report, and in line with the clarifications published by the European Commission, the technical interpretation of the main activities identified as eligible and aligned is broken down below:

Group 4: Energy

Eligibility exercise

For the eligibility calculation, we have taken into account the works/ services related (including construction and operation) in the

[*] The list of subsidiaries and associated companies can be consulted in Appendix II of the Consolidated Financial Statements.

infrastructure for the generation of electricity using solar photovoltaic technology (activity 4.1), the generation of electricity from hydroelectric power (activity 4.5) and the transmission and distribution of electricity (activity 4.9), identified as the most relevant activities of this group.

Additionally, contracts and services related to activities 4.2, 4.3, 4.15 and 4.20 have been identified, which, although they do not have a material impact on the eligibility indicators, have been analyzed contract by contract according to the descriptions in the regulations.

Alignment Exercise

For the alignment calculation, the application criteria for each of the activities have been taken into account, and a request has been made for information on the indicators required by the technical selection criteria. In this group, the Casilla Solar Park project (activity 4.1) stands out, where the substantial contribution criteria indicate that the activity must indeed be an activity of electricity production through photovoltaic solar energy and the projects for the installation and construction of electricity transmission lines in Chile (4.9), where specific Second Opinion Reports have been used to respond to the criteria of the environmental taxonomy (by favoring the entry of renewable energy into the national grid and thus reducing its carbon intensity) and other standards of measurement of sustainable finance.

In cases where information has been required from the developer, such as the characteristics of the installed equipment, the availability of Life Cycle Assessment (LCA) or confirmation of the absence of PCB use, the project manager has been contacted directly through the specific taxonomy channel.

Group 5: Water supply, sewerage, waste management and remediation activities

Eligibility exercise

For the eligibility calculation, works/services related to the construction, expansion and operation/renewal of water collection, purification and distribution systems (activity 5.1 / activity 5.2), and the construction, expansion and operation of wastewater collection and treatment systems (activity 5. 3) have been taken into account. Due to the nature of this business, in many cases it is possible that the contractual management encompasses the entire water cycle. In these cases, the most relevant activity of the plant by business criteria or by the economic activity indicated in the contract has been considered as eligible.

Desalination-related projects have not been included as eligible activities for the time being. However, and given the recommendation of the Sustainable Finance Technical Group, their inclusion under the adaptation objective will be considered in future developments of the taxonomy regulation.

In addition, activities in the area of waste management have been identified corresponding to the collection and transportation of non-hazardous waste in segregated fractions at source (5.5), the composting of bio-waste (5.8), the recovery of non-hazardous waste materials (5.9) and the capture and use of landfill gas (5.10). These activities in the field of waste management correspond mainly to the activity carried out by the Group's subsidiary "Thalia Waste Management" in the United Kingdom.

Exercise of Alignment

For the alignment calculation, the substantial contribution criteria established in the water treatment and purification activities, which refer to the energy consumption of these systems, have been taken into account and contrasted with the energy consumption data of the plants operated by Ferrovial. This exercise has been possible thanks to the availability of data obtained from other Group procedures, such as the measurement and verification of the Carbon Footprint.

Given the impossibility of obtaining consumption data during the construction phase, some of the plants have also been analyzed through their design data, giving as aligned some projects in the construction phase as long as they comply with the rest of the DNSH criteria and the design range is included in the Substantial Contribution Criteria. On the other hand, and supported by FAQ#9 of the explanatory notes of the European Commission*, projects such as pipeline construction, pipeline system improvements or distribution system improvements, have not been considered to have substantial contribution criteria of application in the current version of the regulation, understanding their compliance and their application will be studied in future objectives and revisions.

In the case of projects developed in the field of waste management, compliance with the technical selection criteria such as the preparation of non-hazardous waste for reuse and recycling operations, separation of composted biowaste, use of gas for electricity generation or heat as biogas, among others, has been possible thanks to the collection of evidence reported for compliance with environmental regulations in the United Kingdom. These activities require a qualitative and quantitative compliance in most cases, which has been possible to justify through contractual evidence and administration requirements. The activities carried out in the UK are operated in accordance with the highest quality standards and are periodically reviewed for compliance by the local environmental authority.

Group 6: Transportation

Activities 6.13 6.14, 6.16 and 6.17

Exercise of eligibility

It takes as a starting point the definition of "eligible activity" provided by the Taxonomy Regulation, whose descriptions in Annex I of mitigation refer specifically to: the construction and operation of infrastructure for personal mobility, bicycle logistics (activity 6.13), for rail transport (activity 6.14), the construction and operation of infrastructure enabling low-carbon road transport and public transport (activity 6.15), as well as inland waterway transport (activity 6.16) and low-carbon airport infrastructure (activity 6.17).

It is highlighted at this point that the interpretative FAQ#9, published by the European Commission on February 2, 2022, establishes that eligibility does not depend on the fulfillment of the technical selection criteria, but exclusively on the description of the activity and its alignment potential, especially in those activities that include the term "hypocarbon".

*DRAFT COMMISSION NOTICE (FAQs): https://ec.europa.eu/finance/docs/law/221219-draft-commission-notice-eu-taxonomy-climate.pdf

Alignment exercise

- **Contribution to the substantial contribution criteria:** The typology of the infrastructure and its purpose (e.g. transport of goods or passengers, as well as whether there is an electrification plan) have been verified through the project's technical report. Additionally, the technical report of the project has been used to verify that it is not exclusively dedicated to the storage or transport of fossil fuels in activities 6.14, 6.16 and 6.17. It is understood that a general use infrastructure, which can share passenger and freight uses, will not be dedicated exclusively to the transport or storage of fossil fuels, so the criterion will be considered to be met in this case. In cases where there is an exclusive use dedicated to fossil fuels that does not exceed 25% of the general use of the infrastructure, this share will be discounted from the taxonomic indicators. This threshold is established in accordance with FAQ# 72 of the December explanatory notes, being in line with other environmental standards.
  To demonstrate compliance with the rest of the criteria for transport activities, the availability of evidence supporting the requirements of each of these sections has been evaluated asset by asset. In this context, documents have been requested such as: Environmental Impact Assessments, Environmental Monitoring Plans, Construction and Demolition Waste Recovery Indicator Reports, flora and fauna management plans, as well as corrective measures plans for the mitigation of noise, dust, among others.

Activity 6.15

Eligibility exercise

Activity 6.15 above deserves a separate consideration, where two different interpretations of the eligibility criteria have been established:

- **Literal/restrictive criterion**. It is interpreted that the term "infrastructure" does not refer to the road as a whole, but only to those parts of the road that expressly serve low-carbon transport (according to the criteria of Regulation 2021/2139), i.e.: the circulation of zero emission vehicles, intermodal freight transport (terminal infrastructure and superstructures for loading, unloading and transshipment), as well as infrastructure and facilities that are intended for urban and suburban public passenger transport. Additionally, FAQ#101 states that "engineering and technical consulting services" for "intelligent transport systems" that serve to connect intermodal passenger transport, optimize traffic flow, reduce congestion, facilitate energy efficiency in road transport, and/or electronic tolling systems would be eligible. These criteria did not appear in the Taxonomy Regulation, and therefore have not been considered eligible. ***This will be the criteria for reporting in the European Commission tables.***
- **Criterion established by the consensus of the sector in Spain**, which is included in the guide "European Taxonomy applied to road projects" published in 2022 by SEOPAN (CEOE). This criterion differs from the previous one in two fundamental aspects: (a) it considers that the transport of current zero-emission vehicles would not be possible without a road or highway to enable their circulation, so the concept of eligible "infrastructure" would encompass the whole road and not just parts of it; and (b) in line with what is included in FAQ#101, it is considered that those infrastructures that integrate intelligent systems for the optimization of traffic flows and the reduction of congestion would be eligible as a whole, given that engineering systems, on their own, would lack utility without a road to support them. In the specific case of Ferrovial, this technical description would fit with the so-called "Managed Lanes". ***This criterion will not be reported in the European Commission tables.***

Alignment Exercise

Activity 6.15

- **Literal/restrictive criterion.** According to this criterion, only road infrastructure and facilities that serve for substantial contribution would be aligned, namely: electric recharging facilities, grid connection upgrades, hydrogen refueling stations, terminals and superstructures for loading, unloading and transshipment of goods, as well as facilities dedicated to urban and suburban public passenger transport, including associated signaling systems for metro, streetcar and rail transport systems.
  Additionally, given that the literal meaning of the above-mentioned FAQ#101 only establishes criteria for the eligibility of intelligent transport systems, but not for alignment, the literal and restrictive interpretation of these new criteria would recommend excluding this activity from the analysis and evaluation, as well as the infrastructures (in whole or in part) that meet this definition. Therefore, there are no technical criteria that can be met to affirm that this activity is eligible and has the capacity to be aligned. This will be the criterion for reporting in the European Commission tables.
- **Criteria established by industry consensus in Spain**. In the absence of other technical standards of higher rank, the interpretative criteria used for the alignment are strictly those included in the guide "European Taxonomy applied to road projects", published in 2022 by SEOPAN (CEOE), which contemplate the alignment of the whole road instead of parts of it, as long as the infrastructure and facilities detailed in the criteria of substantial contribution are incorporated.
- In addition, and with regard to FAQ #101 mentioned above, the consensus of the sector interprets that the whole of the infrastructure that integrates the "intelligent transport systems" described in the previous paragraph would be aligned, for the same reasons as stated above. In this sense, Ferrovial's own solution ("Managed Lanes") is identified as a solution that contributes to the reduction of emissions per vehicle by optimizing traffic flows and reducing congestion time. This assertion is supported by the studies carried out by the Company in its assets of these characteristics in the USA. It is also noted that in the company's concession assets where these management systems are in operation, mitigation measures and incentives for public transport and for the circulation of additional zero-emission vehicles are also implemented. **This criterion will not be reported in the European Commission tables.**

  It is noted that the difference between the sectorial criterion (included, as mentioned above, in the SEOPAN guide), and the more restrictive one, significantly affects the final results for FY2022 in terms of CAPEX and INCN (see table below). These new criteria lead to a change in the FY2021 eligibility results and are restated under this new criteria:

*DRAFT COMMISSION NOTICE (FAQs): https://ec.europa.eu/finance/docs/law/221219-draft-commission-notice-eu-taxonomy-climate.pdf

		Results 2022		Results 2021	
		INCN	**CAPEX**	**INCN**	**CAPEX**
Sector scenario	**Eligible**	84.05%	92.92%	89.32%	92.92%
	Aligned	53.86%	88.46%	NA	
	Aligned over eligible	64.08%	95.20%		
Restrictive scenario	**Eligible**	40.21%	9.19%	39.65%	22.89%
	Aligned	25.02%	8.45%	NA	
	Aligned over eligible	62.22%	91.88%		

Eligibility 2021: %INCN eligible 39.65% (vs. 89.32% published in the 2021 IAI. - Eligible %CAPEX 22.89% (vs. 84.57% published in the IAI 2021).

Compliance with the DNSH

Activity 6.15

To demonstrate compliance with the rest of the criteria of activity 6.15, the availability of evidence supporting the requirements of each of these sections has been evaluated asset by asset. In this context, documents have been requested such as: Environmental Impact Assessments, Environmental Monitoring Plans, Construction and Demolition Waste Recovery Indicator Reports, flora and fauna management plans, in addition to corrective measures plans for the mitigation of noise, dust, among others.

Group 7: Building construction and real estate development

Eligibility exercise

For the eligibility calculation, the activities of construction of new residential and non-residential buildings (activity 7.1) and renovation of existing buildings (activity 7.2) have been taken into account.)
Works for the construction or renovation of buildings dedicated to the storage of fossil fuels or industrial buildings for petrochemical or fuel refining purposes have been discarded, even though the regulations do not expressly exclude them from this activity within the eligibility description. In cases where a building has been constructed with shared uses, including fossil fuel-related uses, the percentage referring to this infrastructure has been excluded from the calculation of the taxonomic financial indicators.

Additionally, contracts and services related to activities 7.3, 7.5 and 7.6 have been identified, which, although they do not have a material impact on the eligibility indicators, have been analyzed contract by contract according to the descriptions in the regulations.

Alignment Exercise

For the alignment calculation, the activities of construction of new residential and non-residential buildings (activity 7.1) and renovation of existing buildings (activity 7.2) have been taken into account. In this activity, infrastructures for fossil fuel storage have been discarded from the eligibility phase.

- **Contribution to the substantial contribution criteria.** The substantial contribution criteria for buildings pose a series of problems of application as of the date of this report. On the one hand, the definition of the nearly zero energy building proposed by the taxonomy is a figure established in the technical building code in its version after 2020, so that a large part of the current building projects do not take it into account from the design phase and makes it impossible to verify the reduction required by the regulation. For this reason, efforts have been focused on those building projects after that date and with unique characteristics or requirements, resulting in a low degree of alignment at present. For these projects, the analysis has been based on the information gathered by other sustainable building certifications and a review of the Energy Saving measures stipulated in the building codes that adapt the requirements of Directive 2010/31/EU on Energy Efficiency of Buildings has been carried out.
On the other hand, the rest of the substantial contribution criteria pose a challenge for builders in the sector. Many of the requirements are determined from the design phase and, therefore, either this consideration is not available or it is not possible to access the necessary evidence.
The company is working on the system for capturing the necessary evidence and has carried out specific training with the departments involved in building, so it is expected that their degree of alignment will increase as tools are developed in the sector for this purpose.
Good practices in the company's construction activities allow compliance with many of the DNSH criteria specified in the building activities. However, some of these criteria, identified outside the scope of the construction stage, and in some cases have been determined as non-applicable in accordance with FAQ#9 of the explanatory notes, published on December 19, 2022 by the European Commission in order to be able to advance the analysis. As, for example, it has been assumed that the biodiversity DNSH does not apply in cases of new construction in urban environments and built on buildable land under the aforementioned FAQ.
Particularly relevant is the analysis of the polluting substances described in Appendix C of the Delegated Regulation and the integration of these criteria into the company's internal and purchasing procedures.
For this reason, compliance with the taxonomy criteria, and in the absence of sector criteria, ***can only occur in singular building projects***, which in many cases demand more demanding requirements than those set forth in the construction standards and which, in most cases, are backed by sector certifications such as BREEAM, LEED or WELL.

Group 8 : Information and communication

Eligibility exercise

Contracts and services related to activity 8.1 have been identified, which, while not having a material impact on the eligibility indicators, have been analyzed on a contract-by-contract basis according to the descriptions in the regulations.

Alignment exercise

In order for data processes, hosting and related activities to make a meaningful contribution to climate change mitigation, they must meet two main technical criteria:

- Implementation of the practices foreseen in the most recent version of the European Code of Conduct on Data Center Energy Efficiency, as well as its verification by a third party at least every three years.
- Use of refrigerants in the data center cooling system that have the global warming potential (GWP) below 675.

In its December 2022 draft FAQ, the European Commission provided clarification on the criteria for compliance and verification of the code of conduct in relation to a given activity. According to this response, an assessment framework will be implemented in early 2023 to complement the code of conduct, with the aim of establishing a framework for external verification of compliance with the practices set out in the code of conduct.

Ferrovial has considered that it is not possible to report on compliance with the technical criteria in relation to the 2022 financial year, as the corresponding framework is not yet available.

Block of cross-cutting interpretations:

DNSH adaptation:

Ferrovial -in collaboration with the Environmental Hydraulics Institute of the University of Cantabria- has developed a methodology for identifying and analyzing the physical climate risks that may affect its infrastructures, as well as proposing adaptation programs with measures to mitigate the associated impacts.

This methodology contemplates the different types of infrastructures that the company develops and operates around the world. The analysis is carried out in the short (2025), medium (2030) and long (2050) term in different climate scenarios (RCP 4.5 and RCP 8.5). The procedure considers the risk framework defined by the Intergovernmental Panel on Climate Change (IPPC), which focuses on the analysis of hazard, exposure and vulnerabilities of assets in different time horizons and climate scenarios.

ADAPTARE is the software tool developed to automate this methodology, which will facilitate the analysis and interpretation of the information.

In this way, Ferrovial complies with the DNSH of adaptation included in the Taxonomy Regulation of the European Union.

As a result of the work carried out in 2022, the organization has compiled the physical climate risk analysis of its activities in a plan including a corrective action program to mitigate the impact of significant risks.

Social safeguards:

Ferrovial complies with the minimum safeguards established in Articles 3 and 18 of the Taxonomy Regulation in relation to human rights, corruption, taxation and fair competition. In this regard, a body of policies (Human Rights Policy, Anti-Corruption Policy, Tax Compliance and Best Practices Policy and Competition Policy, among others) determines the corporate position on these matters.

The company has due diligence procedures for the ethical integrity of suppliers, customers, partners and candidates in order to prevent the commission of criminal acts, and carries out regular training activities to inform its staff, especially senior management, of all corporate policies and procedures.

Furthermore, Ferrovial has not received any convictions or sanctions for human rights violations, corruption or bribery, tax evasion or failure to comply with competition laws.

CALCULATION AND RESULTS PER KPI ANALYZED

With all of the above and with the purpose of complying with the reporting requirements of RD (EU) 2021/2178, the data published in the European Commission tables and presented below, follow the following criteria for the calculation of the corresponding percentages:

INCN percentage:

- Calculation of the eligible numerator: sum of the resulting product between the % associated with taxonomic activities identified in the Mitigation Annex I narratives with the consolidated INCN values of the analyzed companies.
- Calculation of the aligned numerator: sum of the resulting product between the % associated with the taxonomic activities identified in the descriptives of Annex I of Mitigation and that are being developed in compliance with the substantial contribution criteria, DNSH criteria and social safeguards adjusted to the consolidated INCN values of the analyzed companies.
- Calculation of the denominator: book value of Ferrovial's total INCN, with reference to the total operating income in Note 2.1 of the Consolidated Financial Statements.

Percentage of CapEX:

- Calculation of the eligible numerator: sum of the resulting product between the % associated to taxonomic activities with the CapEX values associated to the analyzed companies that have included investments in fixed assets that are related to assets or processes associated to economic activities that fit the taxonomy.
- Calculation of the aligned numerator: sum of the resulting product between the % associated to taxonomic activities with the CapEX values associated to the analyzed companies that have included investments in fixed assets that are being developed in compliance with the substantial contribution criteria, DNSH criteria and social safeguards.
- Calculation of the denominator: calculated as the total CapEX of Ferrovial companies within the scope of the analysis, which includes tangible and intangible asset additions during the year before depreciation, amortization and possible new valuations, including those resulting from revaluations and impairments, corresponding to the relevant year, excluding changes in fair value. Additions to tangible and intangible assets resulting from business

combinations were also included. Additions reflected in the financial statements in notes 3.2 Intangible assets, 3.3 Investments in infrastructure projects, specifically 3.3.1 Intangible assets, 3.4 Property, plant and equipment and 3.7 Rights of use for leased assets and associated liabilities. Likewise, for the CapEX calculation, only the costs accounted for in accordance with the International Financial Reporting Standards (IFRS) adopted by Regulation (EC) No. 1126/2008 have been considered:

- IAS 16 Property, plant and equipment, paragraph 73 (e) (i) and (iii);
- IAS 38 Intangible Assets, paragraph 118 (e) (i);
- IFRS 16 Leases, paragraph 53, letter h).

OpEX percentage:

Article 8(2)(b) of Regulation (EU) 2020/852 limits the calculation of OpEx to non-capitalized direct costs that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct costs related to the day-to-day maintenance of property, plant and equipment assets, by the company or a third party to whom activities are outsourced, and that are necessary to ensure the continued effective operation of such assets. Additionally, non-financial companies that apply national GAAP and do not capitalize right-of-use assets will include leasing costs in OpEx.

When operating expenses are not material to the business model of non-financial companies, the standard allows the non-capitalized direct costs referred to above not to be reported, if the lack of materiality of the operating expenses in their business model is analyzed and explained.

Ferrovial has proceeded to the comparative calculation of its total operating costs and "taxonomic" expenses. Of the total total operating costs for 2022 (6,824.277 million euros), the OpEx denominator, as specified in the Regulation, represents 5.14% (351.023 million euros), so it has been considered immaterial for reporting purposes. For this reason, the data included in the OpEx table (page 159) are reported as equal to zero, in accordance with point 1.1.3.2. of Annex I of the Delegated Regulation (EU) 2021/2178. For the calculation of the OpEx denominator, all direct costs at Group level in relation to maintenance and repairs of property, plant and equipment, as well as short-term leasing costs, have been taken into account, Costs referenced with direct "other expenses" related to the daily maintenance of property, plant and equipment have not been included in the numerator and have therefore been excluded from the calculation of the denominator.



Q6 site workers, Heathrow Airport, London, United Kingdom.

Taxonomy

Revenues

				Substantial contribution criteria							DNSH criteria									
Economic activities (1)	**Code(s) (2)**	**Absolute turnover (3)**	**Proportion of turnover (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water and marine resources (7)**	**Circular economy (8)**	**Pollution (9)**	**Biodiversity and ecosystems (10)**	**Climate change mitigation (11)**	**Climate change adaptation (12)**	**Water and marine resources (13)**	**Circular economy (14)**	**Pollution (15)**	**Biodiversity and ecosystems (16)**	**Minimun safeguards (17)**	**Taxonomy-aligned proportion of turnover, year N (18)**	**Taxonomy-aligned proportion of turnover, year N -1 (19)**	**Category (enabling activity) (20)**	**Category (transitional activity) (21)**
		M€	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**%**	**E**	**T**
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																				
A1. Environmentally sustainable activities (Aligned with the taxonomy)																				
4-ENERGY																				
4.1. Electricity generation from solar photovoltaic technology	4.1	0.8	0.01	100	0	N/A	N/A	N/A	N/A		S	N/A	S	N/A	S	S	0.01	N/A		
4.3.Electricity generation from wind energy	4.3	9.8	0.13	100	0	N/A	N/A	N/A	N/A		S	S	S	N/A	S	S	0.13	N/A		
4.9. Electricity transmission and distribution	4.9	29.6	0.39	100	0	N/A	N/A	N/A	N/A		S	N/A	S	S	S	S	0.39	N/A	F	
4.20.Co-generation of heat/cold and electricity from bioenergy	4.2	7.3	0.10	100	0	N/A	N/A	N/A	N/A		S	S	N/A	S	S	S	0.10	N/A		
5-WATER SUPPLY, SANITATION, WASTE MANAGEMENT AND DECONTAMINATION																				
5.1.Construction, expansion and operation of water collection, treatment and supply systems	5.1	127.4	1.69	100	0	N/A	N/A	N/A	N/A		S	S	N/A	N/A	S	S	1.69	N/A		
5.3.Construction, expansion and operation of wastewater collection and treatment systems	5.3	136.9	1.81	100	0	N/A	N/A	N/A	N/A		S	S	N/A	S	S	S	1.81	N/A		
5.5.Collection and transportation of non-hazardous waste in source-separated fractions	5.5	7.8	0.10	100	0	N/A	N/A	N/A	N/A		S	N/A	S	N/A	N/A	S	0.10	N/A		
5.8.Composting of biowaste	5.8	6.5	0.09	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	S	S	S	0.09	N/A		
5.9.Valorization of non-hazardous waste material of non-hazardous waste material	5.9	20.0	0.26	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	N/A	S	S	0.26	N/A		
5.10.Capture and utilization of landfill gas capture and utilization	5.10	0.6	0.01	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	S	S	S	0.01	N/A		
6-TRANSPORT																				
6.13.Infrastructure for personal mobility, bicycle logistics	6.13	7.3	0.10	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	0.10	N/A	F	
6.14.Infrastructure for rail transportation	6.14	1,218.5	16.14	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	16.14	N/A	F	
6.16.Infrastructure enabling low-carbon inland waterway transport	6.16	28.7	0.38	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	0.38	N/A	F	
6.17.Low-carbon airport infrastructure	6.17	131.7	1.74	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	1.74	N/A	F	
7-CONSTRUCTION OF BUILDINGS AND REAL ESTATE DEVELOPMENT																				
7.1.Construction of new buildings	7.1	86.9	1.15	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	1.15	N/A		
7.2. Renovation of existing buildings	7.2	9.6	0.13	100	0	N/A	N/A	N/A	N/A		S	S	S	S	N/A	S	0.13	N/A		T
7.3. Installation, maintenance and repair of energy efficient equipment	7.3	46.6	0.62	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	S	N/A	S	0.62	N/A	F	
7.5.Installation, maintenance and repair of instruments and devices to measure, regulate and control the energy efficiency of buildings	7.5	11.8	0.16	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	N/A	N/A	S	0.16	N/A	F	
7.6.Installation, maintenance and repair of renewable energy technologies	7.6	1.5	0.02	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	N/A	N/A	S	0.02	N/A	F	
Turnover from environmentally sustainable activities (Aligned with the taxonomy) (A.1)		1,889.2	25.02														25.02	N/A		

A2. Eligible activities but not environmentally sustainable (not aligned with taxonomy).			
4-ENERGY			
4.1.Electricity generation through solar photovoltaic technology	4.1	20.1	0.27
4.2.Electricity generation by concentrating solar power technology	4.2	3.2	0.04
4.3. Electricity generation from wind energy	4.3	0.1	0.00
4.5.Electricity generation from hydroelectric power	4.5	63.7	0.84
4.9.Transmission and distribution of electricity	4.9	0.3	0.00
4.15.District heating / district cooling distribution	4.15	0.5	0.01
4.20.Co-generation of heat/cold and electricity from bioenergy	4.2	2.5	0.03
5-WATER SUPPLY, SANITATION, WASTE MANAGEMENT AND DECONTAMINATION			
5.1. Construction, expansion and operation of water collection, treatment and supply systems	5.1	30.1	0.40
5.2.Renovation of water collection, treatment and supply systems	5.2	1.6	0.02
5.3.Construction, expansion and operation of wastewater collection and treatment systems	5.3	174.8	2.31
5.4.Renovation of wastewater collection and treatment	5.4	0.0	0.00
5.5.Collection and transport of non-hazardous waste in source-separated fractions	5.5	132.4	1.75
5.8.Bio-waste composting	5.8	4.0	0.05
5.9.Recovery of non-hazardous waste material from non-hazardous waste material from non-hazardous waste material	5.9	0.0	0.00
6-TRANSPORT			
6.13.Infrastructure for personal mobility, bicycle logistics	6.13	43.6	0.58
6.14.Infrastructure for rail transport	6.14	39.6	0.52
6.16.Infrastructure enabling low-carbon inland waterway transport	6.16	17.5	0.23
6.17.Low-carbon airport infrastructure	6.17	12.2	0.16
7-CONSTRUCTION OF BUILDINGS AND REAL ESTATE DEVELOPMENT			
7.1.Construction of new buildings	7.1	527.3	6.98
7.2.Renovation of existing buildings	7.2	39.4	0.5
7.3.Installation, maintenance and repair of energy efficient equipment	7.3	9.9	0.13
8- INFORMATION AND COMMUNICATION			
8.1. Data processing, hosting and related activities	8.1	24.4	0.32
Turnover from eligible but non-environmentally sustainable activities (not aligned with taxonomy) (A.2)		1,147.2	15.19
Total (A.1 + A.2)		3,036.4	40.21
B. NON-TAXONOMY ELIGIBLE ACTIVITIES			
Turnover from non-taxonomy-eligible activities (B)		4,514.3	59.79
Total (A + B)		7,550.8	100.0

25.0	N/A		

CapEx

Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria						DNSH criteria							Taxonomy-aligned proportion of CapEx, year N (18)	Taxonomy-aligned proportion of CapEx, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
		M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																				
A1. Environmentally sustainable activities (Aligned with the taxonomy)																				
4-ENERGY																				
4.1. Electricity generation from solar photovoltaic technology	4.1	-58.0	3.35	100	0	N/A	N/A	N/A	N/A		S	N/A	S	N/A	S	S	3.35	N/A		
4.3.Electricity generation from wind energy	4.3	-12.1	0.70	100	0	N/A	N/A	N/A	N/A		S	S	S	N/A	S	S	0.70	N/A		
4.9.Electricity transmission and distribution	4.9	-40.6	2.35	100	0	N/A	N/A	N/A	N/A		S	N/A	S	S	S	S	2.35	N/A	F	
5-WATER SUPPLY, SANITATION, WASTE MANAGEMENT AND DECONTAMINATION																				
5.1.Construction, expansion, and operation of water collection, treatment, and supply systems	5.1	-0.2	0.01	100	0	N/A	N/A	N/A	N/A		S	S	N/A	N/A	S	S	0.01	N/A		
5.3.Construction, expansion and operation of sewage collection and treatment systems	5.3	0.0	0.00	100	0	N/A	N/A	N/A	N/A		S	S	N/A	S	S	S	0.00	N/A		
6-TRANSPORTATION																				
6.13.Infrastructure for personal mobility, bicycle logistics	6.13	0.0	0.00	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	0.00	N/A	F	
6.14.Infrastructure for rail transportation	6.14	-29.7	1.72	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	1.72	N/A	F	
6.16.Infrastructure enabling low-carbon inland waterway transportation	6.16	-0.1	0.00	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	0.00	N/A	F	
6.17.Low-carbon airport infrastructure	6.17	-0.3	0.01	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	0.01	N/A	F	
7-CONSTRUCTION OF BUILDINGS AND REAL ESTATE DEVELOPMENT																				
7.1.Construction of new buildings	7.1	-0.2	0.01	100	0	N/A	N/A	N/A	N/A		S	S	S	S	S	S	0.01	N/A		
7.2. Renovation of existing buildings	7.2	0.0	0.00	100	0	N/A	N/A	N/A	N/A		S	S	S	S	N/A	S	0.00	N/A		T
7.3. Installation, maintenance and repair of energy efficient equipment	7.3	-2.6	0.15	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	S	N/A	S	0.15	N/A	F	
7.5.Installation, maintenance and repair of instruments and devices to measure, regulate and control the energy efficiency of buildings	7.5	-2.4	0.14	100	0	N/A	N/A	N/A	N/A		S	N/A	N/A	N/A	N/A	S	0.14	N/A	F	
CAPEX of environmentally sustainable activities (Aligned with the taxonomy) (A.1)		-146.0	8.45														8.45	N/A		
A2. Eligible but not environmentally sustainable activities (not aligned with the taxonomy)																				
4-ENERGY																				
Electricity generation by photovoltaic solar technology	4.1	-0.3	0.02																	
4.2.Electricity generation by concentrating solar power technology	4.2	0.0	0.00																	
4.3.Electricity generation from wind energy	4.3	0.0	0.00																	
4.5.Electricity generation from hydroelectric power	4.5	-2.6	0.15																	
4.9.Transmission and distribution of electricity	4.9	0.0	0.00																	
5-WATER SUPPLY, SANITATION, WASTE MANAGEMENT AND DECONTAMINATION																				
5.1.Construction, expansion and operation of water collection, treatment and supply systems	5.1	-0.2	0.01																	
5.2.Renovation of water collection, treatment and supply systems	5.2	-0.1	0.00																	
5.3.Construction, expansion and operation of wastewater collection and treatment systems	5.3	-0.2	0.01																	
5.5.Collection and transportation of non-hazardous waste in source-separated fractions	5.5	0.0	0.00																	
5.8.Composting of biowaste	5.8	0.0	0.00																	
6-TRANSPORTATION																				
6.13.Infrastructure for personal mobility, bicycle logistics	6.13	0.0	0.00																	
6.14.Infrastructure for rail transport	6.14	-0.2	0.01																	

6.16.Infrastructure enabling low-carbon inland waterway transport	6.16	-0.5	0.03																		
6.17.Low-carbon airport infrastructure	6.17	0.0	0.00																		
7-CONSTRUCTION OF BUILDINGS AND REAL ESTATE DEVELOPMENT																					
7.1.Construction of new buildings	7.1	-0.7	0.04																		
7.2.Renovation of existing buildings	7.2	0.0	0.00																		
7.3.Installation, maintenance and repair of energy efficient equipment	7.3	-7.9	0.46																		
8- INFORMATION AND COMMUNICATION																					
8.1.Data processing, hosting and related activities.	8.1	-0.1	0.01																		
CAPEX of eligible but non-environmentally sustainable activities (not aligned with taxonomy) (A.2)		-12.9	0.75																		
Total (A.1 + A.2)		-159.0	9.19															8.45	N/A		
B. NON-TAXONOMY ELIGIBLE ACTIVITIES																					
CAPEX of eligible but non-environmentally sustainable activities (not aligned with taxonomy) (A.2)		-1,570.1	90.8																		
Total (A + B)		-1,729.0	100.0																		

Opex

				Substantial contribution criteria						DNSH criteria										
Economic activities (1)	**Code(s) (2)**	**Absolute OpEx (3)**	**Proportion of OpEx (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water and marine resources (7)**	**Circular economy (8)**	**Pollution (9)**	**Biodiversity and ecosystems (10)**	**Climate change mitigation (11)**	**Climate change adaptation (12)**	**Water and marine resources (13)**	**Circular economy (14)**	**Pollution (15)**	**Biodiversity and ecosystems (16)**	**Minimum safeguards (17)**	**Taxonomy-aligned proportion of OpEx, year N (18)**	**Taxonomy-aligned proportion of OpEx, year N -1 (19)**	**Category (enabling activity) (20)**	**Category (transitional activity) (21)**
		M€	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**%**	**E**	**T**
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																				
A1. Environmentally sustainable activities (Aligned with the taxonomy)																				
OPEX of environmentally sustainable activities (Aligned with the taxonomy) (A.1)		0.0	0.00																	
A2. Eligible but not environmentally sustainable activities (not aligned with taxonomy) (A.2)																				
OPEX of eligible but non-environmentally sustainable activities (not aligned with taxonomy) (A.2)		0.0	0.0																	
Total (A.1 + A.2)		0.0	0.0														0.0			
B. NON-TAXONOMY ELIGIBLE ACTIVITIES																				
OPEX of non-eligible activities (B)																				
Total (A + B)		350.8	0.0																	

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 (pages 80-81).
		Corporate Governance section (pages 120-123).
	Describe the role of management in assessing and managing climate-related risks and opportunities.	Risk Chapter (page 112-116).
		Climate Strategy section (page 80-81).
STRATEGY	Describe the climate-related risks and opportunities identified by the organization in the short, medium and long term.	Strategy Chapter (pages 26-27).
		Risks and opportunities related to climate change (page 83-85).
		Risks Chapter (pg 112-116).
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.	Climate Strategy section (page 80-81) and in each of the sections related to each of Ferrovial's divisions (page 32-45).
	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 83-85).
RISKS	Describe the organization's processes for identifying and assessing climate-related risks.	Chapter on Risks (page 112-116).
		Section on risks and opportunities related to climate change (page 92-93).
	Describe the organization's processes for managing climate-related risks.	Chapter on Risks (page 112-116).
		Risks and opportunities related to climate change (pg 83-85).
	Describe how the processes for identifying, assessing and managing climate-related risks are integrated with the organization's overall risk management.	Chapter on Risks (page 112-116).
		Risks and opportunities related to climate change (pg 83-85).
METRICS	Describe the metrics the organization uses to assess climate-related risks and opportunities and the risk management process.	Risks Chapter (pg 112-116).
		Risks and opportunities related to climate change (pg 83-85).
	Break down GHG emissions, Scope 1, Scope 2 and, if appropriate, Scope 3, and associated risks.	Environment Chapter (page 91).
		Annex of GRI Standards indicators (page 171).
	Describe the organization's objectives for managing climate-related risks and opportunities and performance against those objectives.	Environment Chapter (page 80-87).

ESG Scoreboard

Economic	2020	2021	2022
Revenues (M€)	6,532	6,910	7,551
Cash flow from operations excluding concessionaires (M€)	839	607	584
Dividend paid to shareholders (M€)1	377	469	578
Taxes paid (M€)2	1,785	1,810	1,569
Construction order book (M€)	10,129	12,216	14,473
Investment in R&D&I (M€)	52.0	59.6	74.8
Environmental	**2020**	**2021**	**2022**
Absolute emissions Scope1 (tCO2eq)	435,975	399,387	381,341
Absolute emissions Scope2 (tCO2eq)	39,651	30,536	33,045
Absolute emissions Scope3 (tCO2eq)	3,713,041	3,772,032	3,995,293
Relative emissions Scope1+2 (tCO2eq/M€)	72.01	67.48	42.91
Water consumption (Mm3)	4.22	4.28	4.22
Total energy consumption (GJ)	4,318,664	3,691,361	3,223,422
Electricity consumption from renewable sources (%)	-	74	70
Eligible revenues according to EU Taxonomy (%)	-	39.65	40.21
Aligned revenues according to EU Taxonomy (%)	-	-	25.02
Eligible CapEX according to EU Taxonomy (%)	-	22.89	9.19
Aligned CapEX according to EU Taxonomy (%)	-	-	8.45
ISO 14001 certified activity (%)	87	89	80
ISO 50001 certified activity (%)	-	-	69
Social	**2020**	**2021**	**2022**
Worforce at year-end	80,119	63,070	24,191
Average workforce	84,306	78,534	34,350
Total turnover rate (%)	17.58	24.37	41.17
Training hours (hours/employee)	8.55	9.98	14.40
Investment in training (€/employee)	113.67	209.63	264.20
Gender pay gap (average salary)%	-	24.65	3.24
Number of employee fatal accidents	5	2	3
Number of contractors fatal accidents	9	6	2
Employee Lost-Time Injuries Frequency Rate	9.2	8.8	3.2
Severity rate	0.26	0.28	0.10
Investment in the community (M€)	11.6	4.2	4.8
Beneficiaries in drinking water and sanitation3	229,639	238,869	286,213
Governance	**2020**	**2021**	**2022**
Female representation on the Board of Directors (%)	16.70	33.30	33.30
Independence on the Board of Directors (%)	58.33	66.60	66.70
Customer satisfaction (out of 5)	4.3	4.3	4.2
User satisfaction (out of 5)	4.0	4.0	4.0
HAH passenger experience (out of 5)	4.18	4.23	3.97
ISO 9001 certified activity	87	89	80
Purchases from local suppliers (%)	91.52	96.23	97.03

(1) In scrip dividend and share buyback.
(2) Taxes accrued, paid and collected (cash flow criteria).
(3) Data accumulated since 2008 (31 projects performed in Colombia, Peru, Mexico, Tanzania, Ethiopia, Uganda and Ghana).

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.	2-1, 2-6	Chapter Ferrovial in two minutes (Pages 12-23). Chapter Strategy and value creation (Pages 26-28).
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	Integrity Chapter (Pages 94-95).
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.	3-3, 102-30, 201-2.	Risks Chapter (Pages 112-116).
Information on environmental issues	Pollution	Current and foreseeable effects of the company's activities on the environment and, where appropriate, on health and safety.	2-69, 102-31	Environment Chapter, (Pages 80-87) and GRI Standards Indicators table (GRI 307).
		Environmental assessment or certification procedures	3-3, 2-69 y 102-30	Quality Chapter (Pages 92-93).
		Resources dedicated to environmental risk prevention	2-12	Currently 276 people (346 in 2021) work in the different Quality and Environment departments of Ferrovial and its subsidiaries, which implies an approximate expenditure of 16.06 million euros (14.22 in 2021).
		Application of the precautionary principle	3-3	Risks Chapter (Pages 112-116) Environment Chapter (Pages 80-87)
		Number of provisions and safeguards for environmental risks	307-1	See note 6.3. 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 Chapter (Page 80-87) and Annex to GRI Standards (GRI 305-7).
		Measures to prevent, reduce or remediate emissions of all forms of air pollution (including noise and light pollution).	416-1	Quality Chapter (Pages 92-93).
	Circular economy and waste prevention and management	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 Chapter (Page 92) 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.
	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 87) and table of GRI Standard 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 Chapter, Circular Economy section, (Page 86)
		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	Environment Chapter, section Climate Strategy and Shadow Carbon Pricing (Pages 80-87), and table of GRI Standards Indicators (GRI 305).

	Climate change	Measures taken to adapt to the consequences of climate change.	103-2, 201-2, 305-5	Environment Chapter, section Climate Strategy and Shadow Carbon Pricing (Pages 80-85)
		Voluntary reduction targets established in the medium and long term to reduce GHG emissions and the means implemented to this end.	103-2	Environment Chapter, Climate Strategy section (Pages 80-85)
	Biodiversity protection	Measures taken to conserve or restore biodiversity.	304-3	Environment Chapter, Biodiversity section (Page 86) and GRI Standards Indicators table (GRI 304)
		Impacts of activities or operations on protected areas.	304-1, 304-2 y 304-4	Environment Chapter, section Biodiversity (Page 86), section Biodiversity
Information on social and personnel issues	Employment	Total number and distribution of employees by gender, age, country, and occupational classification.	2-6, 102-8, 405-1	People Chapter, (Pages 76-77)
				Table of GRI Standards Indicators (2-7)
		Total number and distribution of employment contracts.	2-7.	Table of Indicators GRI Standards (2-7)
		Average annual number of permanent, temporary, and part-time contracts by gender, age, and occupational classification.	2-7.	Table of GRI Standards Indicators.
				Data is provided at the end of the year. 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	Table of GRI Standards Indicators (401-1)
		Average salaries and their evolution broken down by gender, age and occupational classification	405-2	Table of GRI Standards Indicators (405-2)
		Wage gap	405-2	GRI Standards Indicator Table (405-2)
		Remuneration for equal or average positions in the company.	202-1	Table of Indicators GRI Standards
		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).	2-19, 2-20, 201-3	Remuneration Chapter (Pages 124-125) 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.
		Employees with disabilities	405-1	The number of employees with disabilities in 2022 amounted to 107 (1,481 in 2021).
	Work organization	Organization of working time	2-7.	The company has the tools to adapt working time management to the business needs and demands of employees, with the aim of improving both business competitiveness and the well-being of its workforce, 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. People Chapter (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 76-77)

		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	Organization of social dialogue, including procedures for informing, consulting, and negotiating with employees.	103-2	Human Rights Chapter (Page 96-97)
		Percentage of employees covered by collective bargaining agreements by country.	2-11.	Table of GRI Standards Indicators (2-11)
		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 2022 was 147 (1,052 in 2021). 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 health and safety), thus complying with and adapting to the regulations in each country. In the collective bargaining held during the year 2021, the 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.
		Mechanisms and procedures available to the company to promote employee involvement in the management of the company, in terms of information, consultation and participation.	2-30	144-146
	Training	Policies implemented in the field of training.	404-2	People Chapter (Pages 76-77)
		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 integration in the workplace, all work centers are adapted to be accessible spaces in accordance with the commitments to the inclusion strategy as well as to 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 96-97)
		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 96-97)
		Measures adopted to promote employment	103-2, 404-2	People, Human Rights and Community Chapters, (Pages 76-77, 96-97 and 102-103)
		Policy against all types of discrimination and, where appropriate, integration of protocols against sexual and gender-based harassment.	103-2	Human Rights Chapter (Page 96-97)
		Protocols against all types of discrimination and, where appropriate, diversity management protocols.	103-2, 406-1	People Chapter (Pages 76-77) and Human Rights (Pages 96-97)
Information on respect for human rights		Implementation of human rights due diligence procedures.	414-2	Human Rights Chapter (Pages 96-97)
		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 94-95)
		Reporting of human rights abuses.	102-17, 419-1, 411-1	IIntegrity Chapter (Page 95) and Human Rights Chapter (Pages 96-97)
		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 96-97)
Information on anti-corruption and anti-bribery issues		Measures taken to prevent corruption and bribery.	103-2	Integrity Chapter (Pages 94-95)
		Measures to combat money laundering.	103-2	Chapter Responsible Fiscal Management (Pages 104-105)
		Contributions to foundations and non-profit organizations.	103-2, 201-1, 203-2, 415-1	Community Chapter (Pages 102-103). Contributions to non-profit entities in 2022 amounted to 1.76 million euros (1.58 million euros in 2021).

		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 (Pages 102-103)
	Relationships with local community stakeholders and the methods of dialogue with them	Relationships with local community stakeholders and methods of dialogue with them.	2-28, 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 2022, sponsorship actions were linked to the promotion of the arts, culture, innovation or education. The company is a member of SEOPAN and of various national and international associations in the construction and infrastructure sector.
Information on society	Subcontracting and suppliers	Inclusion of social, gender equality and environmental issues in purchasing policies.	103-3	Chapter Supply Chain (Pages 100-101)
		Consideration of social and environmental responsibility in relations with suppliers and subcontractors.	2-6, 308-1, 308-2, 407-1, 409-1, 414-1, 414-2	Chapter Supply Chain (Page 100-101)
		Monitoring and auditing systems and their resolution.	308-1, 308-2, 414-2	Supply Chain Chapter (Page 100-101). In 2022, 12,189 suppliers were evaluated (12,062 in 2021).
	Consumers	Measures for the health and safety of consumers.	416-1, 416-2, 417-1	Toll Roads chapter (Pages 32-33) and Innovation chapter (Pages 89, 91).
		Complaint and grievance systems received and resolution of complaints.	2-26, 418-1	Quality Chapter (Pages 92-93) and Integrity Chapter (Pages 94-95). In 2022, 416 (363 in 2021) customer complaints were recorded, of which 83% (95% in 2021) were resolved during the year.
	Tax information	Country-by-country profitability	201-1	Consolidated Financial Statements, note 2.8.1
		Profit taxes paid	201-1	Consolidated Financial Statements, note 2.8.1
		Government subsidies received	201-4	Consolidated Financial Statements, note 6.1
Requirements of the Taxonomy Regulation (EU) 2020/852				84, 148-155

* To identify the information related to each GRI indicator, the GRI Standards Indicator tables should be used (page 167).

Indicadores Sustainability Accounting Standards Board (SASB)

The SASB indicators for the Engineering and Construction Services sector are presented below:

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 indicator 2-27
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	IF-EN-160a.2	See Environment section, pages 80-87
Structural Integrity & Safety	Amount of defect- and safety-related rework costs	IF-EN-250a.1	500,500.36 euros
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	IF-EN-250a.2	64,914.40 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 Annex 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 80-87
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 7.17 million euros, mainly corresponding to gas pipelines. As for the portfolio of renewable energy projects, mainly photovoltaic solar energy, it amounted to €31.22 million.
	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	See Taxonomy section (pages 84 and 148-155).
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 Perception 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 94-95

GRI standards Indicators

GRI Standard	Page / reference	Scope
GRI 2: General Disclosures 2021		
1. The organization and its reporting practices		
2-1 Organizational details	14-15, 26-27 Note 1.1. to Ferrovial's Consolidated Financial Statements 2022	Ferrovial
2-2 Entities included in the organization's sustainability reporting	Appendix II to Ferrovial's Consolidated Financial Statements 2022	Ferrovial
2-3 Reporting period, frequency and contact point	The period covered by the report is the 2022 financial year, and it is presented on an annual basis. The point of contact is indicated on the back cover of the report.	Ferrovial
2-4 Restatements of information	144	Ferrovial
2-5 External assurance	195-199	Ferrovial
2. Activities and workers		
2-6 Activities, value chain, and other business relationships	12-23, 26-27, 94-95 Notes 1.1., 1.2. and 1.3. to Ferrovial's 2022 Consolidated Financial Statements	Ferrovial
2-7 Employees	12-23, 74-75 and Appendix to GRI Indicators	Ferrovial
2-8 Workers who are not employees	74-75	Ferrovial
3. Governance		
2-9 Governance structure and composition	120-123 Section C of Ferrovial's Annual Corporate Governance Report 2022	Ferrovial
2-10 Nomination and selection of the highest governance body	120-123 Section C.1.19 of Ferrovial's Annual Corporate Governance Report 2022	Ferrovial
2-11 Chair of the highest governance body	120-123 Section C.1.2 y C.1.3 of Ferrovial's Annual Corporate Governance Report 2022	Ferrovial
2-12 Role of the highest governance body in overseeing the management of impacts	120-123, 144-147 Section E of Ferrovial's Annual Corporate Governance Report 2022	Ferrovial
2-13 Delegation of responsibility for managing impacts	120-123, 144-147 Section C of Ferrovial's Annual Corporate Governance Report 2022l	Ferrovial
2-14 Role of the highest governance body in sustainability reporting	120-123	Ferrovial
2-15 Conflicts of interest	94-95 Section D.6 of Ferrovial's Annual Corporate Governance Report 2022	Ferrovial
2-16 Communication of critical concerns	94-95, 144-145	Ferrovial
2-17 Collective knowledge of the highest governance body	The Board of Directors is regularly informed of issues related to the company's environmental management and health and safety, as well as the monitoring of the Corporate Responsibility Strategic Plan. In addition, the Board reserves, either directly or through its Committees, knowledge of a series of matters on which it must express an opinion. These include approving policies on various matters	Ferrovial
2-18 Evaluation of the performance of the highest governance body	Section C.1.18 of Ferrovial's 2022 Annual Corporate Governance Report	Ferrovial
2-19 Remuneration policies	124-125	Ferrovial
2-20 Process to determine remuneration	124-125	Ferrovial
2-21 Annual total compensation ratio	124-125	Ferrovial
4. Strategy, policies and practices		
2-22 Statement on sustainable development strategy	9, 26-27	Ferrovial
2-23 Policy commitments	28, 80-87, 112-116	Ferrovial
2-24 Embedding policy commitments	94-95	Ferrovial
2-25 Processes to remediate negative impacts	94-95, 96-97	Ferrovial

2-26 Mechanisms for seeking advice and raising concerns	94-95	Ferrovial
2-27 Compliance with laws and regulations	The amount of the most significant environmental fines paid in fiscal 2022 for non-compliance with environmental legislation was 147,585 euros (17,002 euros in 2021), corresponding to five proceedings imposed during fiscal 2022, and 21,361 euros corresponding to one proceeding imposed in previous fiscal years (33,961 euros in 2021). The main fines are related to the use of unsuitable material in an embankment and the storage of waste in unsuitable areas. In fiscal year 2022, no proceedings and litigation related to the safety of workers, subcontractors and users have been closed with penalties (0 in 2021). Notes 6.3 and 6.5 of Ferrovial's 2022 Consolidated Financial Statements	Ferrovial
2-28 Membership associations	144-145	Ferrovial
5. Stakeholder participation		
2-29 Approach to stakeholder engagement	2, 142-156	Ferrovial
2-30 Collective bargaining agreements	96, Appendix to GRI indicators and Table of Contents of Non-financial reporting	Ferrovial

GRI Standard	Indicator and description	Page / Reference	Scope
GRI 103 Management approach 2016	103-1 Explanation of material issue and its limitations	145-146	Ferrovial
	103-2 Management approach and components	26-27, 145-146	Ferrovial
	103-3 Evaluation of the management approach	26-27, 145-147	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	80-87, 112-116 In addition, Ferrovial publicly reports on risks and opportunities in the CDP report. Information relating to 2022 will be available during 2023.	Ferrovial
	201-3 Defined benefit plan obligations and other retirement plans	Note 6.6.4 of Ferrovial's Consolidated Financial Statements 2022 Note 6.2 of Ferrovial's Consolidated Financial Statements 2022	Ferrovial
	201-4 Financial assistance received from government	Note 6.1 of Ferrovial's Consolidated Financial Statements 2022 Note 6.4 of Ferrovial's Consolidated Financial Statements 2022	Ferrovial
Market presence			
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	The ratio between the starting wage and the local minimum wage in countries with significant presence by gender (Male / Female) is as follows: Spain: 1.2 / 1.2 (1.12 / 1.12 in 2021) United Kingdom: 1.57 / 1.40 (1.74 / 1.46 in 2021) United States: 1.66 / 1.66 (1.66 / 1.66 in 2021) Poland: 1 / 1 (1 / 1 in 2021) Chile:1 / 1 (1 / 1 in 2021)	Ferrovial
	202-2 Proportion of senior management hired from the local community	In 2022, the proportion of local managers was 96% (83.9% in 2021).	Ferrovial
Indirect economic impacts			
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	102-103	Ferrovial
	203-2 Significant indirect economic impacts	14-15, 32-35, 102-103	Ferrovial
Procurrent practices			
GRI 204: Procurrent practices 2016	204-1 Proportion of spending on local suppliers	100	Ferrovial
Anti-corruption			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	94-95	Ferrovial
	205-2 Communication and training about anti-corruption policies and procedures	94-95	Ferrovial
	205-3 Confirmed incidents of corruption and actions taken	94-95	Ferrovial

Anti-competitive			
GRI 206: Anti-competitive 2016	206-1 Legal actions for anti-competitive behavior. anti-trust. and monopoly practices	In 2022, two cases and litigations related to monopoly practices were open (two in 2021). Note 6.5 of Ferrovial's Consolidated Financial Statements 2022	Ferrovial
GRI 207: Tax 2019	207-1 Approach to tax	104-105	Ferrovial
	207-2 Tax governance. control. and risk management	104-105	Ferrovial
	207-3 Stakeholder engagement and management of concerns related to tax	104-105	Ferrovial
	207-4 Country-by-country reporting	105 Appendix to GRI Indicators	Ferrovial

GRI Standard	Indicator and descriptio n	Page / Reference	Scope
GRI 103 Management approach 2016	103-1 Explanation of material issue and its limitations	145-146	Ferrovial
	103-2 Management approach and components	80-87	Ferrovial
	103-3 Evaluation of the management approach	80-87	Ferrovial
Materials			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	See Appendix to GRI Indicators	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 333.81 GJ/M€ (379.11 GJ/M€ in 2021). Data for 2021 have been recalculated due to the deconsolidation of part of the Services activity.	Ferrovial
	302-4 Reduction of energy consumption	Energy consumption with respect to 2021 has decreased by 12.67% (467,938 GJ).	Ferrovial
	302-5 Reductions in energy requirements of products and services	80-87	Ferrovial
Water			
GRI 303: Water 2016	303-1 Interactions with water as a shared resource	80-87	Ferrovial
	303-2 Management of water discharge-related impacts	80-87	Ferrovial
	303-3 Water withdrawal	See Appendix GRI Indicators	Ferrovial
	303-4 Water discharge	See Appendix GRI Indicators	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 2022, Ferrovial worked on 34 new projects (5 in 2021) subject to Environmental Impact Statements (or equivalent figures), according to the legal framework of each country.	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	81. See Appendix GRI Indicators	Ferrovial
	305-2 Energy indirect (Scope 2) GHG emissions	81. See Appendix GRI Indicators	Ferrovial
	305-3 Other indirect (Scope 3) GHG emissions	81. See Appendix GRI Indicators. Scope 3 emissions are limited to the scope described in table 305-3 of the GRI Indicators Appendix	Ferrovial
	305-4 GHG emissions intensity	The intensity of greenhouse gas emissions is 42.91 tCO2/M€ in 2022 (67.48 tCO2/M€ in 2021)	Ferrovial
	305-5 Reduction of GHG emissions	81-82. 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: Waste 2020	306-1 Waste generation and significant waste-related impacts	86	Ferrovial
	306-2 Management of significant waste-related impacts	86	Ferrovial
	306-3 Waste generated	See Appendix to GRI Indicators.	Ferrovial
	306-4 Waste diverted from disposal	See Appendix to GRI Indicators.	Ferrovial Servicios España
	306-5 Waste directed to disposal	See Appendix to GRI Indicators.	Ferrovial Construction
Supplier Environmental Assessment			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	100-101	Ferrovial
	308-2 Negative environmental impacts in the supply chain and actions taken	100-101 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 descriptio n	Page / Reference	Scope
GRI 103 Management approach 2016	103-1 Explanation of material issue and its limitations	145-146	Ferrovial
	103-2 Management approach and components	78-81	Ferrovial
	103-3 Evaluation of the management approach	78-81	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	74-75 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	76-77	Ferrovial
	403-2 Hazard identification. risk assessment. and incident investigation	76-77	Ferrovial
	403-3 Occupational health services	76-77	Ferrovial
	403-4 Worker participation. consultation. and communication on occupational health and safety	76-77	Ferrovial
	403-5 Worker training on occupational health and safety	76-77	Ferrovial
	403-6 Promotion of worker health	76-77	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 30.44% (29.41% in 2021)	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 2022	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	95 Information about complaints received through the Corporative Whistleblowing Channel 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	100-101	Ferrovial
Child Labor			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	100-101	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	100-101	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 2021 and 2022 there hasn't been detected incidents of violations involving rights of indigenous people	Ferrovial

Local Communities			
GRI 413:Local Communities 2016	413-1 Operations with local community engagement. impact assessments. and development programs	102-103	Ferrovial
	413-2 Operations with significant actual and potential negative impacts on local communities	During 2021 and 2022 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	100-101	Ferrovial
	414-2 Negative social impacts in the supply chain and actions taken	100-101	Ferrovial
Public Policy			
GRI 415: Public Policy 2016	415-1 Political contributions	145	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	76-77	Ferrovial
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In 2022, no cases and litigation related to the safety of workers subcontractors and users were open (0 in 2021). Note 6.3 of Ferrovial's Consolidated Financial Statements 2022 Note 6.5 of Ferrovial's Consolidated Financial Statements 2022	Ferrovial
Marketing and labeling			
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	76-77	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 2021 and 2022	Ferrovial
	417-3 Incidents of non-compliance concerning marketing communications	There has not been identified non-compliance incidents on this subject in 2021 and 2022	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 2021 and 2022	Ferrovial

REPORTING PRINCIPLES

AA1000 AP2018 Standard

The standard is based on four 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 to GRI Indicators

2-6 Activities, value chain and other business relationships

Due to the diversity of activities carried out by Ferrovial, the supply chain typology is different for each business. Around 80% of suppliers are concentrated in Construction, where the largest volumes of orders are registered.

In the Construction area, the vast majority of purchases are destined for works in progress at any given time. A minimal part goes to the offices, departments and services that support the execution of these works. The supply chain is made up of suppliers (manufacturers and distributors) and subcontractors.

The specific characteristics of the construction supply chain are: a large number of suppliers; a significant degree of subcontracting, which varies depending on the type and size of the project and the country in which it is carried out; a high percentage of local suppliers, as the sector is closely linked to the country/area in which each project is executed; a wide variety of suppliers, ranging from large multinationals with a global presence and high technology to small local suppliers (mainly subcontractors) for less qualified work; and the need to adapt to the requirements of each local market.

In 2022, a large part of the Services business was divested, which has changed the composition of Ferrovial's supply chain as a whole, reducing the number of suppliers and orders.

2-7. Employees

Number of employees at year-end by type of workday and gender

	Total		2021	2022
Full Time	23,598	Men	37,156	19,660
		Women	12,953	3,938
Part Time	593	Men	3,237	480
		Women	9,724	113

Number of employees at year-end by type of employment contract and gender

	Total		2021	2022
Temporary contract	5,670	Men	7,494	4,960
		Women	3,820	710
Undefined contract	18,521	Men	32,899	15,180
		Women	18,856	3,341

Average number of employees by gender, type of contract and professional category

Category	Permanent		Temporary		Total		Total 2022	Total 2021
	Men	Women	Men	Women	Men	Women		
Manager y categoría superior (Executive, Senior Manager, Head of Department, etc)	2,490.7	616.6	121.3	19.7	2,612.0	636.3	3,248.3	5,034.4
Senior Professional / Supervisor	2,551.7	991.5	56.8	29.3	2,608.4	1,020.8	3,629.2	3,645.5
Professional	5,621.8	1,953.5	446.3	262.8	6,068.1	2,216.4	8,284.4	9,424.5
Administratives / Support	506.4	789.4	138.3	152.3	644.6	941.7	1,586.3	1,888.4
Blue Collar	11,703.4	2,291.4	3,391.6	215.2	15,095.0	2,506.6	17,601.6	58,541.4
Total	**22,874.0**	**6,642.5**	**4,154.1**	**679.3**	**27,028.1**	**7,321.7**	**34,349.8**	**78,534.2**

Data for 2021 can be found in the 2021 Integrated Annual Report, page 169.

Number of employees at year-end by region and gender

	2021			2022		
	Men	Women	Total	Men	Women	Total
Spain	15,059	15,640	30,698	4,502	911	5,413
United States	4,480	674	5,154	3,579	599	4,178
Canada	705	60	765	548	67	615
United Kingdom	9,939	4,222	14,161	867	293	1,160
Poland	4,557	1,442	5,999	4,568	1,534	6,102
Chile	4,211	408	4,619	4,468	376	4,844
Germany	913	4	917	880	4	884
Colombia	155	96	251	202	106	308
Portugal	126	61	187	119	60	179
Türkiye	0	0	0	158	23	181
Australia	42	18	60	97	45	142
Puerto Rico	92	9	101	94	15	109
France	19	8	27	19	7	26
Slovakia	38	22	60	15	4	19
Peru	4	4	8	5	4	9
Tunisia	1	0	1	1	0	1
Brazil	2	1	3	1	0	1
Saudi Arabia	39	2	41	7	0	7
Oman	6	0	6	5	0	5
Netherlands	2	1	3	4	1	5
Italy	0	2	2	0	2	2
Lithuania	4	2	6	1	0	1
Ireland	0	1	1	0	0	0
TOTAL	**40,394**	**22,677**	**63,070**	**20,140**	**4,051**	**24,191**

2-21 Annual total compensation ratio*

	2020	2021	2022
TOTAL Ferrovial	143.60	142.84	112.08
USA	8.59	8.61	8.99
Spain	29.41	24.93	13.18
Poland	30.21	17.95	17.26
United Kingdom	25.59	22.99	10.58
Chile	16.34	16.69	16.31

Percentage increase in annual total compensation ratio*

	2020	2021	2022
TOTAL Ferrovial	-0.69%	-5.85%	-0.49%
USA	-1.64%	-0.66%	-0.94%
Spain	-2.22%	18.64%	-0.13%
Poland	1.71%	38.81%	0.65%
United Kingdom	-2.26%	2.34%	2.89%
Chile	-0.07%	18.54%	0.75%

*93.23% of the average workforce is covered

2-30 Percentage of employees covered by collective bargaining agreements

	Total Workfoce	Employees represented	% 2022	% 2021
Spain	5,413	5,402	99.8%	99.3%
United States	4,178	0	0.0%	6.8%
Canada	615	0	0.0%	19.9%
United Kingdom	1,160	53	4.6%	27.0%
Poland	6,102	4,875	79.9%	81.8%
Latin America	5,270	3,869	73.4%	62.8%
Other countries	1,453	127	8.7%	10.1%
TOTAL	**24,191**	**14,326**	**59.2%**	**68.1%**

201-1. Direct economic value generated and distributed

ECONOMIC VALUE GENERATED(M€)	2020	2021	2022
a) Revenues:			
Sales revenue	6,532	6,910	7,551
Other operating income	2	1	2
Financial income	43	24	104
Income from companies accounted for by the equity method	-424	1,198	180
TOTAL	**6,169**	**8,133**	**7,837**
ECONOMIC VALUE DISTRIBUTED (M€)	**2020**	**2021**	**2022**
b) Consumption and expenses (1)			
Consumption	990	1,085	1,197
Other operating expenses	3,926	3,922	4,182
c) Salaries and employee benefits			
Personnel expenses	1,212	1,293	1,446
d) Financial expenses and dividends			
Dividends to shareholders	119	190	132
Treasury stock transactions (2)	259	434	446
Financial expenses	243	334	320
e) Taxes			
Corporate income tax	-34	-9	30
TOTAL	**6,715**	**7,249**	**7,753**
ECONOMIC VALUE RETAINED (M €)	**-546**	**884**	**84**

(1) The Group's social action expenses, recorded under Other Operating Expenses, together with the Foundation's expenses, are detailed in the Community Chapter..
(2) Capital reduction through cancellation of treasury stock. For further information, 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 2021 in euros.

The data for 2021 are published and not those for 2022, in accordance with the obligation to communicate the Country-by-Country Report to the Spanish Tax Agency (in November of each year the report corresponding to the previous year is communicated).

2021 (M€)								
		Revenue[3]						
Jurisdiction[1]	Number of employees[2]	Third parties	Associated	Total	Profit before income tax[3]	Income tax (paid)[3]	Income tax (accrued)[3]	Tangible Assets[3]
Germany	917	47.41	0.00	47.41	6.38	-0.95	-0.99	0.05
Saudi Arabia	2	7.27	0.34	7.60	-0.40	0.00	0.00	0.07
Argentina	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Australia	72	35.52	0.95	36.47	-3.01	-0.50	0.00	1.88
Bolivia	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Brazil	4	0.57	0.00	0.57	0.04	-0.15	-0.13	0.01
Canada	774	269.39	4.40	273.79	185.27	0.01	-0.42	4.47
Chile	4,641	323.16	0.46	323.62	12.86	-10.13	-2.21	113.79
Colombia	33	43.89	0.01	43.90	-2.47	-0.77	0.00	4.21
United Arab Emirates	0	0.00	0.00	0.00	0.32	0.00	0.00	0.00
Slovakia	19	126.83	0.19	127.02	-17.48	-0.31	-0.11	0.43
Spain	28,083	3,366.49	248.79	3,615.28	17.84	-33.37	-13.06	821.49
USA	5,314	3,869.47	25.81	3,895.28	1,123.69	5.78	-0.53	10,671.03
France	29	24.51	0.00	24.51	3.28	-3.95	-0.87	0.05
Greece	0	0.00	0.00	0.00	0.00	0.00	0.00	0.01
India	0	0.02	0.00	0.02	0.29	-0.01	0.00	0.00
Ireland	2	0.01	3.47	3.49	6.96	-2.45	-0.67	0.00
Italy	2	0.34	0.00	0.34	0.24	-0.05	0.00	0.00
Lithuania	6	19.88	0.00	19.88	13.78	0.00	0.00	0.00
Luxembourg	0	1.99	0.00	1.99	0.40	0.00	0.00	0.00
Morocco	0	0.00	0.00	0.00	0.48	0.00	-0.01	0.00
Mexico	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Zealand	0	0.05	0.00	0.05	0.04	0.00	0.00	0.91
Oman	6	-0.22	0.01	-0.21	0.11	0.00	0.00	0.00
Netherlands	11	7.85	12.35	20.20	-1,217.21	-2.28	-1.58	0.00
Peru	12	13.84	0.10	13.94	-0.31	-0.40	-0.41	0.23
Poland	6,000	1,791.98	0.06	1,792.04	103.31	-65.97	-45.79	197.13
Portugal	186	124.49	1.54	126.03	-16.03	-0.65	-1.41	275.21
Puerto Rico	105	21.91	0.30	22.21	1.13	-0.27	-0.93	1.57
Qatar	0	0.00	0.00	0.00	0.42	0.00	0.00	0.00
United Kingdom	14,208	3,529.34	3.77	3,533.12	-70.00	0.06	-1.59	131.42
Czech Republic	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dominican Republic	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tunisia	1.00	0.00	0.00	0.00	-1.78	0.00	0.00	0.00
Uruguay	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	**60,427**	**13,625.98**	**302.55**	**13,928.54**	**148.16**	**-116.37**	**-70.69**	**12,223.96**

(1) In the Consolidated Financial Statements for fiscal year 2022, Appendix II, the entities comprising the business group, their residence, as well as the activities they carry out are detailed.
(2) As for the number of employees, the total number of employees in full-time equivalence has been estimated. 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: statutory vs. effective rate by jurisdiction

The following table reflects the qualitative explanation of the differences between the statutory and effective income tax rates with respect to the jurisdictions in which Ferrovial paid income tax in 2021 and 2020. Unlike the previous table, the following table only reflects the amounts paid for income tax by fully consolidated companies.

2021				
				Income tax
Jurisdiction	Legal tax rate	Effective tax rate	Difference	Explanation
Germany	15%	15%	0%	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.
Canada	27%	0%	26%	The effective rate is lower than the nominal rate because exempt income (dividends) is included in the calculation base.
Chile	27%	17%	10%	There are companies with positive results in Construction that do not generate current expenses due to negative adjustments that generate tax losses and the use of non-activated tax losses.
Colombia	31%	0%	31%	Country in which losses have been generated and therefore no tax is payable.
UAE	0%	0%	0%	Effective and nominal rates are aligned.
Slovakia	21%	-1%	22%	Although there is a global loss, FC Slovakia generates tax payable.
Spain	25%	73%	-48%	There is no expense in the Spanish tax consolidated group due to tax losses. The expense shown is for the Service companies that after the divestment are taxed individually (Aurora perimeter).
USA	21%*	0%	21%	Country in loss in the federal tax consolidated group, only expense is accrued for the provision of the state tax.
France	28%	27%	1%	Effective and nominal rates are aligned.
Greece	29%	0%	29%	Country in which no activity has been carried out.
India	30%	0%	30%	There are tax losses from previous years.
Ireland	25%	10%	15%	The rate is distorted by the inclusion of portfolio provisions in the result.
Italy	28%	0%	28%	A tax loss is incurred and therefore no current tax is generated.
Lithuania	15%	0%	15%	There are tax losses from previous years.
Luxembourg	17%	0%	17%	There are tax adjustments that mean that there is no taxable income.
Morocco	30%	2%	28%	Despite the losses, a minimum tax expense is recorded.
Mexico	30%	0%	30%	Country in which no activity has been developed.
New Zealand	28%	0%	28%	Country in which no activity has been carried out.
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%**	-6%	31%	The rate is distorted by the inclusion of portfolio provisions in the result and expense for tax audits of previous years.
Peru	30%	-131%	161%	In Peru, each Consortium is a separate taxpayer from the Branches. It is not possible to offset losses of some with the profits of others.
Poland	19%	44%	-25%	The effective rate is much higher than the nominal rate because it includes in its calculation base non-deductible expenses that constitute permanent differences.
Portugal	22.5%	-9%	31%	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	29.0%	83%	-54%	The tax rate for the year is distorted because there are companies with profits and with losses that cannot offset profits since there is no tax consolidation.
Qatar	10%	0%	10%	Country in which no activity has been developed.
United Kingdom	19%	-2%	21%	In spite of the global losses generated in the fiscal year, there is tax to be paid by the companies that are outside the group relief system or due to the limitation in the use of tax losses.
Dominican Republic	27%	0%	27%	Country in which no activity has been developed.
Tunisia	25%	0%	25%	Country in which losses have been generated and therefore no tax is payable.

* The federal/national tax rate is taken into account.

** The first 245,000 euros are taxed at a 15% tax rate.

301-1. Materials used by weight or volume*

	2020	2021	2022
Paper (kg)	325,575	349,310	204,486
Wood (m3)	14,832	85,027	8,744
Bitumen (t)	182,067	464,342	106,329
Concrete (t)	6,145,987	7,178,860	6,177,323
Corrugated steel (t)	173,370	182,651	128,921
Aggregates (t)*	-	-	9,509,101
Cement (t)*	-	-	168,752
Asphaltic agglomerate (t)*	-	-	765,162

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

301-2. Recycled materials consumed*

	2020	2021	2022
Total recycled material (t)	893,607	1,023,529	1,130,955

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

302-1. Energy consumption within the organization*

			2009	2020	2021	2022
Fuels used in Stationary and Mobile sources (total) (GJ)	Stationary	Diesel	711,628	1,488,822	1,163,035	829,084
		Fuel	344,186	100,551	77,191	50,848
		Gasoline	13,447	6,228	7,514	6,114
		Natural Gas	410,435	102,146	36,261	46,923
		Coal	0	268,802	309,389	272,166
		Kerosene	4,097	1,559	807	1,294
		Propane	1,629	361	389	2,921
		LPG	175	2	64	3,149
	Mobile	Diesel	1,901,642	878,858	743,048	677,998
		Fuel	0	1	0	0
		Gasoline	630,058	572,221	561,008	619,728
		Natural Gas	0	0	0	0
		Ethanol	0	0	0	118
		LPG	57	3,258	2,529	0
	TOTAL		**4,017,355**	**3,422,809**	**2,901,233**	**2,510,344**
Electricity Consumption from Non-Renewable Sources (GJ)	Corporation		5,359	3,837	3,926	3,879
	Toll Roads		230,072	18,901	16,398	14,749
	Airports		66,292	66,292	66,292	66,325
	Construction		761,769	201,102	118,353	122,636
	Energy Infrastructure and Mobility		30	0	0	0
	Services		110,331	1,318	1,729	11,661
	TOTAL		**1,173,853**	**291,451**	**206,697**	**219,250**
Electricity Consumption from Renewable Sources (GJ)	Corporation		0	0	0	0
	Toll Roads		2,393	30,749	29,988	31,001
	Airports		0	0	0	0
	Construction		599	474,164	354,105	335,227
	Energy Infrastructure and Mobility		0	0	0	0
	Services		25,772	99,492	199,337	127,600
	TOTAL		**28,764**	**604,405**	**583,430**	**493,828**

Energy consumption by region (GJ)	Non-renewable source	Renewable source
Spain	308,517	319,483
United States	811,422	28,609
United Kingdom	516,446	140,688
Poland	648,339	5,049
Latin America	299,670	0
Others	145,200	0
TOTAL	**2,729,594**	**493,828**

ENERGY PRODUCED (GJ)	2020	2021	2022
Electrical energy generated in Water Treatment Plants	110,829	143,106	136,123
Electrical energy generated in thermal drying plants	368,328	408,248	221,837
TOTAL	**479,157**	**551,354**	**357,960**

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

302-2. Energy consumption outside of the organization*

		2020	2021	2022
Consumption of energy acquired, by primary sources (GJ)	Coal	38,991	36,720	37,304
	Diesel	11,896	11,334	11,338
	Gas	40,077	38,080	38,181
	Biomass	4,260	3,956	3,958
	Waste	1,152	1,102	1,095
	Others	142,955	135,256	134,242
	TOTAL	**239,332**	**226,447**	**226,117**

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022..

303-3 Water withdrawal*

	2020		2021		2022	
	Total water withdrawal	Water withdrawal in water-stressed areas	Total water withdrawal	Water withdrawal in water-stressed areas	Total water withdrawa	Water withdrawal in water-stressed areas
Supply network (m3)	1,063,757	721,030	1,040,901	571,143	647,490	477,089
Fresh surface water (m3)	309,450	309,450	293,066	293,066	576,586	576,586
Groundwater (m3)	619,655	16,383	615,597	12,325	656,245	52,973
Rainwater (m3)	0	0	0	0	6,580	6,580
Water from wastewater (m3)	1,601	0	0	0	0	0
Pre-treated water in Cadagua (m3)	2,543,636	2,543,636	2,657,762	2,657,762	2,581,448	2,581,448
Recycled - reused water (m3)	29,984	29,984	6,179	6,179	39,270	39,270
TOTAL (m3)	4,568,083	3,620,483	4,615,786	3,540,474	4,507,620	3,733,947

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

303-4 Water discharge*

	2020		2021		2022	
	Total water discharge	Water discharge in water-stressed areas	Total water discharge	Water discharge in water-stressed areas	Total water discharge	Water discharge in water-stressed areas
TOTAL (m3)	350,176	278,859	331,188	246,607	292,796	217,067

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

303-5 Water consumption*

	2020	2021	2022
Total water consumption (m3)	4,217,907	4,284,599	4,214,823
Water consumption in water-stressed areas (m3)	3,341,624	3,293,868	3,516,880

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022..

304-4. Species appearing on the IUCN Red List and national conservation lists whose habitats are in areas affected by the operations

Conservation status of the species	IUCN Red List	Regional list
Critically endangered (CR)	4	
Endangered (EN)	8	
Vulnerable (VU)	7	
Near Threatened (NT)	12	
Least Concern (LC)	55	
Other categories		26
TOTAL	86	26

305-1. Direct (Scope 1) GHG emissions (tCO_2 eq)*

BY BUSINESS	2009 (base-year)	2020	2021	2022
Corporation	375	151	166	53
Toll Roads	6,593	2,586	2,353	2,918
Airports	1,296	1,296	1,296	1,296
Construction	163,232	192,541	169,735	144,998
Energy Infrastructure and Mobility	41	13	13	14
Services	252,999	239,387	225,824	232,062
TOTAL	**424,536**	**435,975**	**399,387**	**381,341**

BY SOURCE	2009 (base-year)	2020	2021	2022
Mobile	181,965	104,940	94,256	92,990
Stationary	212,095	282,897	249,735	225,834
Fugitive	185	136	243	125
Diffuse	30,291	48,002	55,153	62,391
TOTAL	**424,536**	**435,975**	**399,387**	**381,341**

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

305-2. Energy indirect (Scope 2) GHG emissions (tCO_2 eq)*

BY BUSINESS	2009 (base-year)	2020	2021	2022
Corporation	521	365	373	319
Toll Roads	20,006	1,936	1,745	1,631
Airports	7,624	7,624	7,624	7,624
Construction	88,143	29,641	20,692	22,845
Energy Infrastructure and Mobility	4	0	0	0
Services	14,291	85	102	626
TOTAL	**130,588**	**39,651**	**30,536**	**33,045**

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

GHG emissions (Scope 1 + Scope 2) (tCO_2 eq/revenues (M€))

	2009 (base-year)	2020	2021	2022
Relative emissions (tCO2 eq/ M€)	162.36	72.01	67.48	42.91

305-3. Other indirect GHG emissions (Scope3) (tCO_2 eq) *

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 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.
- 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 2022 is not available, so emissions for 2021 have been considered. These assumptions account for 16.7% of the emissions in this category.
- 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, 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)	2020	2021	2022
Purchased goods and services	1,756,724	1,021,375	1,144,190	867,951
Capital Goods	569,407	411,535	191,884	761,835
Fuel and energy related activities	124,282	76,367	65,458	69,525
Upstream transportation and distribution	560,420	476,642	552,731	454,426
Waste generated in operations	191,948	127,603	94,059	122,540
Business travel	5,065	1,159	1,964	3,805
Employee commuting	792	1,645	1,673	1,245
Upstream leased	1,405	0	0	0

Downstream transportation and distribution	0	0	0	0
Processing of sold products	0	0	0	0
Use of sold product	686,941	392,929	473,640	498,782
End of life treatment of sold products	57,368	23,152	59,894	19,224
Downstream leased assets	0	0	0	0
Franchises	0	0	0	0
Investments	2,113,068	1,180,634	1,186,539	1,195,960
TOTAL	**6,067,420**	**3,713,041**	**3,772,032**	**3,995,293**

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.

Biogenic CO2 (tCO2/eq)	2009 (base-year)	2020	2021	2022
Construction	768	128,792	62,404	60,240
Services	704,104	899,476	611,752	822,703
TOTAL	**704,872**	**1,028,268**	**674,156**	**882,943**

305-5. Reduction of GHG emissions*

	2020	2021	2022
Renewable electricity purchase (t CO2eq)	29,814	38,010	36,952
For triage activity (t CO2eq)	184,390	168,505	169,067
For biogas capture in water treatment plants (t CO2eq)	406,842	553,059	529,337
For energy generation in water treatment plants (t CO2eq)	45,533	52,435	29,326
TOTAL	**666,579**	**812,010**	**764,682**

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022..

305-7. Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

	NOx (Tn)	CO (t)	COVNM (t)	SOx (t)	Particles (t)
Emissions from boilers	40.37	15.99	3.80	51.35	10.11
Emissions caused by motor vehicles	380.12	1,934	214.78		27.71
Emissions caused by electricity	16.01	6.22	0.12	25.08	1.36
	NOx (g/Kg)	**CO (g/Kg)**	**COVNM (g/Kg)**	**SOx (g/kg)**	**Particles (g/Kg)**
Emissions caused by mobile equipment used in construction works	1,260.69	3,834.33	388.84	0	46.28

Data for 2021 can be found in the Integrated Annual Report 2021, page 178.

306-3. Waste generated*

306-4. Wastes diverted from disposal*

306-5. Waste directed for disposal*

Type of waste	Treatment	2020	2021	2022
Construction and demolition waste**	**VALORIZATION (t)**	**3,098,930**	**3,285,924**	**3,294,545**
	Reuse (t)	893,607	1,023,529	1,130,955
	Recycling (t)	1,916,678	2,262,394	2,163,590
	Other valorization (t)	288,645	0	0
	DISPOSAL or unknown treatment (t)	**1,037,325**	**947,068**	**844,348**
	Landfill (t)	1,030,087	947,068	844,348
	Incineration (t)	N/A	N/A	N/A
	Other disposal or unknown treatment (t)	7,238	0	0

Non-hazardous waste	**VALORIZATION (t)**	**286,326**	**256,917**	**330,758**
	Reuse (t)	0	0	0
	Recycling (t)	72	192,133	263,331
	Other valorization (t)	286,253	64,783	67,427
	DISPOSAL or unknown treatment (t)	**105,801**	**12,433**	**37,630**
	Landfill (t)	109	4,427	18,327
	Incineration (t)	0	582	19,303
	Other disposal or unknown treatment (t)	105,691	7,424	0
Hazardous waste	**VALORIZATION (t)**	**873**	**3,070**	**2,789**
	Reuse (t)	0	0	0
	Recycling (t)	16	2,189	1,907
	Other valorization (t)	857	881	882
	DISPOSAL or unknown treatment (t)	**11,867**	**6,011**	**4,748**
	Landfill (t)	N/A	N/A	N/A
	Incineration (t)	N/A	N/A	N/A
	Other disposal or unknown treatment (t)	11,867	6,011	4,748
TOTAL	**VALORIZATION (t)**	**3,386,129**	**3,545,910**	**3,628,092**
	Reuse (t)	893,607	1,023,529	1,130,955
	Recycling (t)	1,916,766	2,456,717	2,428,828
	Other valorization (t)	575,756	65,664	68,309
	DISPOSAL or unknown treatment (t)	**1,154,992**	**965,512**	**886,725**
	Landfill (t)	1,030,196	951,495	862,674
	Incineration (t)	0	582	19,303
	Other disposal or unknown treatment (t)	124,796	13,435	4,748
TOTAL		**4,541,121**	**4,511,422**	**4,514,817**

**The target for reuse of CDW is 70%, having reached 80% in 2022.

Soil	2020	2021	2022
Soil moved (m3)	14,342,867	21,550,537	17,671,012
Soil reused (m3)***	13,727,460	20,011,311	15,874,857

*Data for 2020 and 2021 have been restated to match the organization's perimeter at the end of 2022.
***The land reuse target is 80%, having reached 90% in 2022.

CRE8. Type and number of sustainability certifications, ratings and labeling systems for new construction, management, occupancy and reconstruction.

Sustainable construction certifications obtained in Spain, Poland and Chile:

Region	BREEAM	CES	LEED	LEED + WELL	Energy certification A	Energy certification B
Chile		1				
Spain	10		8	1	12	7
Poland	2		1			
TOTAL	**12**	**1**	**9**	**1**	**12**	**7**

401-1. New employee hires and employee turnover

Throughout 2022, the total number of new hires was 14,466 (28,676 in 2021), which corresponds to a total hiring rate of 42.11% (36.51% in 2021), compared to the year-end workforce. The breakdown by country, gender and age is as follows:

		<30	30 - 45	>45	Subtotal	TOTAL
Spain	Men	174	339	351	864	**1,012**
	Women	50	68	30	148	
USA	Men	610	718	610	1,938	**2204**
	Women	86	109	71	266	
Canada	Men	80	138	219	437	**491**
	Women	14	19	21	54	
United Kingdom	Men	612	608	507	1,727	**2,547**
	Women	285	299	236	820	
Poland	Men	221	379	184	784	**1,069**
	Women	142	120	23	285	
Latin America	Men	1,866	2,556	1,504	5,926	**6,258**
	Women	114	172	46	332	
Rest of countries	Men	160	338	327	825	**885**
	Women	18	26	16	60	
TOTAL	Men	3,723	5,076	3,702	12,501	**14,466**
	Women	709	813	443	1,965	
	Subtotal	4,432	5,889	4,145		

The voluntary and involuntary turnover rate for 2022, broken down by professional category, age and gender, is as follows

	Voluntary						Involuntary*						Total						Total por categoría
	Men			Women			Men			Women			Hombres			Mujeres			
	<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	0.02	0.33	0.20	0.00	0.15	0.03	0.00	0.08	0.17	0.00	0.03	0.01	0.02	0.40	0.36	0.00	0.18	0.04	1.01
Senior Professional / Supervisor	0.09	0.31	0.20	0.03	0.14	0.05	0.01	0.06	0.05	0.00	0.02	0.02	0.09	0.37	0.25	0.03	0.15	0.07	0.96
Professional	0.95	1.13	0.75	0.35	0.92	0.15	0.09	0.24	0.15	0.04	0.12	0.01	1.05	1.37	0.90	0.40	1.04	0.16	4.91
Administratives / Support	0.19	0.07	0.05	0.16	0.19	0.11	0.05	0.09	0.03	0.06	0.08	0.05	0.24	0.16	0.08	0.22	0.26	0.16	1.12
Blue Collar	3.42	4.28	2.96	0.33	0.54	0.48	4.96	8.20	6.94	0.20	0.52	0.33	8.38	12.49	9.90	0.53	1.07	0.81	33.17
Subtotal by age	4.68	6.12	4.16	0.87	1.94	0.82	5.11	8.67	7.34	0.30	0.76	0.42	9.78	14.79	11.49	1.17	2.70	1.23	
Subtotal by gender	14.95			3.62			21.12			1.48			36.06			5.11			41.17
Total	18.57						22.60						41.17						

* The total number of layoffs in 2022 was 7,762 (10,208 in 2021).
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 committee

	2020	2021	2022
Percentage of employees represented in Health and Safety Committees	67.5	74.6	85.0

403-8 Workers covered by an occupational health and safety management system (ISO 45001)

	2020	2021	2022
403-8 Workers covered by an occupational health and safety management system (%)	93	93	87

403-9. Injuries due to occupational accidents

403-10 Occupational diseases and illnesses

	2020	2021	2022
Frequency rate	9.2	8.8	3.2
Frequency rate (including contractors)	7.2	6.7	3.3
Total recordable frequency rate	2.0	1.9	0.8
Total recordable frequency rate (including contractors)	1.6	1.4	0.7
Severity rate	0.26	0.28	0.10
Absenteeism rate	7.13	6.64	5.61
Occupational Disease Frequency Rate	0.26	0.29	0.65
Absenteeism hours (mill.hours)	10.85	9.28	4.12
Number of employee fatalities	2	2	3
Number of contractor fatalities	3	6	2

The number of cases of occupational diseases was 48 in 2022 (41 in 2021).
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

				2022							
	2020	2021		Manager y categoría superior (Executive, Senior Manager, Head of Department, etc.)	Senior Professional/ Supervisor	Professional	Admin / Support	Blue Collar	Subtotal	Hours by empl. And categ. 2022	Horas by business line 2022
Corporation	9,209	18,770	Men	4,082	5,799	223	5	0	10,108	**38.5**	**37.7**
			Women	2,089	4,711	159	651	0	7,610	**36.6**	
Toll Roads	6,819	9,629	Men	2,473	809	2,082	147	2,389	7,900	**21.2**	**24.6**
			Women	1,121	1,364	2,133	516	271	5,404	**32.0**	
Airports	630	1,014	Men	389	771	2,201	477	1,280	5,117	**24.7**	**24.6**
			Women	241	58	334	544	3	1,179	**24.2**	
Construction	186,602	118,857	Men	58,217	28,921	32,361	7,333	23,722	150,555	**10.7**	**12.1**
			Women	13,479	13,930	20,907	5,116	1,540	54,972	**18.6**	
Services	517,926	635,263	Men	2,866	21,505	43,395	3,356	150,518	221,639	**18.2**	**16.0**
			Women	500	3,392	6,086	4,904	20,718	35,598	**9.0**	
Subtotal			Men	68,027	57,805	80,262	11,317	177,910	395,320	**14.6**	**14.6**
			Women	17,429	23,455	29,617	11,730	22,532	104,763	**14.3**	
Subtotal by category				85,456	81,260	109,879	23,047	200,441			
TOTAL	**721,186**	**783,532**				**500,084**					

405-1. Diversity in governing bodies and employees

		2022						
		Manager y categoría superior (Executive, Senior Manager, Head of Department, etc.)	Senior Professional / Supervisor	Professional	Administratives / Support	Blue Collar	Subtotal	TOTAL
Corporation	Men	139	123	17	6	0	285	511
	Women	75	106	14	31	0	226	
Toll Roads	Men	103	55	49	1	240	448	632
	Women	31	40	39	21	53	184	
Airports	Men	26	18	59	15	80	198	239
	Women	6	3	10	21	1	41	
Construction	Men	2,261	1,271	2,314	532	8,149	14,527	17,608
	Women	501	546	1,180	541	313	3,081	
Services	Men	65	80	131	11	4,395	4,682	5,201
	Women	23	25	81	54	336	519	
TOTAL	**Men**	2,594	1,547	2,570	565	12,864	20,140	24,191
	Women	636	720	1,324	668	703	4,051	

Data for 2021 can be found in the 2021 Integrated Annual Report, page 182.

405-2 Ratio of basic salary and remuneration of women vs. men

Gender pay gap 2022 (expressed in local currency). Data as of 12.31.2022 - Base Salary + Salary Supplements (*):

Country	Gender	Nº employees	% employees	Median salary	Average salary	% gender pay gap (median salary)	% gender pay gap (average salary)
Spain	Women	911	16.8%	€41,018	€49,637	-13.05%	0.32%
	Men	4,502	83.2%	€36,284	€49,795		
United Kingdom	Women	293	25.3%	£40,557	£45,627	12.90%	15.58%
	Men	867	74.7%	£46,566	£54,047		
USA	Women	599	14.3%	$72,818	$82,726	-15.38%	1.02%
	Men	3,579	85.7%	$63,113	$83,577		
Poland	Women	2,525	25.0%	$103,530	$118,472	-21.86%	1.94%
	Men	3,577	75.0%	$84,960	$120,812		
Chile	Women	376	7.8%	18.037.839 CLP	21.963.069 CLP	-7.12%	-12.45%
	Men	4,468	92.2%	16.839.497 CLP	19.530.994 CLP		
Canada	Women	67	10.9%	75,173	77,202	-0.10%	3.97%
	Men	548	89.1%	75,095	80,398		

(*) Salary supplements are understood to be those remunerations received by employees which, together with the base salary, make up the total salary structure. These amounts are related to the work performed by employees (night work, overtime, etc.), to their personal or professional conditions (such as languages or productivity), or to the company's results (such as the annual variable).

Gender pay gap 2022 (expressed in euros). Data as of 12.31.2022 - Base Salary + Salary Supplements (*):

Country	Gender	Nº employees	% employees	Median salary	Average salary	% gender pay gap (median salary)	% gender pay gap (average salary)
Spain	Women	911	16.8%	€41,018	€49,637	-13.05%	0.32%
	Men	4,502	83.2%	€36,284	€49,795		
United Kingdom	Women	293	25.3%	€47,564	€53,510	12.90%	15.58%
	Men	867	74.7%	€54,611	€63,385		
USA	Women	599	14.3%	€69,133	€78,539	-15.38%	1.02%
	Men	3,579	85.7%	€59,919	€79,348		
Poland	Women	1,534	25.0%	€22,099	€25,289	-21.86%	1.94%
	Men	4,568	75.0%	€18,135	€25,788		
Chile	Women	376	7.8%	€19,659	€23,937	-7.12%	-12.45%
	Men	4,468	92.2%	€18,353	€21,286		
Canada	Women	67	10.9%	€54,878	€56,359	-0.10%	3.97%
	Men	548	89.1%	€54,820	€58,692		
GLOBAL GENDER PAY GAP 2022	**Women**	**3,780**	**21.4%**	**€36,424**	**€42,199**	**-8.87%**	**3.24%**
	Men	**18,532**	**78.6%**	**€33,457**	**€43,610**		
GLOBAL GENDER PAY GAP 2021	**Women**	**22,565**	**37.0%**	**€23,541**	**€26,697**	**23.26%**	**24.65%**
	Men	**38,382**	**63.0%**	**€30,675**	**€35,429**		

Note: as shown in the table, the reduction in the overall gender pay gap from 2021 to 2022 is mainly due to the sale of most of the Services business, basically due to the decrease in the number of women within the professional category Blue Collar (the percentage of Women has decreased from 41% to 5%) and this category includes the lowest paid employees of the company, leaving this distribution composed of 95% of Men and 5% of Women. In addition, this category is very important within the company's workforce, representing 55% of the total workforce. The workforce included in the analysis represents 92.23% of the total workforce at the end of the year.
(*) Salary supplements are understood to be those remunerations received by employees which, together with the base salary, make up the total salary structure. These amounts are related to the work performed by employees (night work, overtime, etc.), to their personal or professional conditions (such as languages or productivity), or to the company's results (such as the annual variable).

Gender pay gap 2022 (expressed in local currency) by professional category. Data as of 12.31.2022 - Base Salary + Salary Supplements (*)

Country	Professional category	Gender	Nº employees	% employees	Average salary	% Gender pay gap
Spain	Executives/Senior Manager/ Manager	Women	184	18.1%	€89,612	18.67%
		Men	834	81.9%	€110,180	
	Senior Professionals/Supervisors	Women	243	30.9%	€50,326	11.80%
		Men	544	69.1%	€57,056	
	Professionals	Women	201	24.2%	€40,102	12.70%
		Men	631	75.8%	€45,935	
	Administratives/Support	Women	113	30.7%	€34,637	-8.16%
		Men	255	69.3%	€32,022	
	Blue Collars	Women	170	7.1%	€26,857	7.68%
		Men	2,238	92.9%	€29,091	
	TOTAL 2022	**Women**	**911**	**16.8%**	**€49,637**	**0.32%**
		Men	**4,502**	**83.2%**	**€49,795**	
	TOTAL 2021	**Women**	**15,820**	**50.9%**	**€25,393**	**20.78%**
		Men	**15,271**	**49.1%**	**€32,055**	

United Kingdom	Executives/Senior Manager/ Manager	Women	37	24.8%	£84,227	21.02%
		Men	112	75.2%	£106,638	
	Senior Professionals/Supervisors	Women	63	27.2%	£59,247	13.45%
		Men	169	72.8%	£68,453	
	Professionals	Women	78	29.5%	£39,785	11.62%
		Men	186	70.5%	£45,015	
	Administratives/Support	Women	73	70.2%	£29,847	7.94%
		Men	31	29.8%	£32,420	
	Blue Collars	Women	42	10.2%	£23,740	32.78%
		Men	369	89.8%	£35,315	
	TOTAL 2022	**Women**	**293**	**25.3%**	**€45,627**	**15.58%**
		Men	**867**	**74.7%**	**€54,047**	
	TOTAL 2021	**Women**	**4,217**	**29.9%**	**€23,614**	**34.34%**
		Men	**9,881**	**70.1%**	**€35,963**	
USA (**)	Executives/Senior Manager/ Manager	Women	83	29.7%	$149,718	23.54%
		Men	196	70.3%	$195,821	
	Senior Professionals/Supervisors	Women	100	26.7%	$99,025	17.18%
		Men	274	73.3%	$119,563	
	Professionals	Women	165	28.1%	$82,638	24.44%
		Men	423	71.9%	$109,368	
	Administratives/Support	Women	134	69.8%	$59,521	28.99%
		Men	58	30.2%	$83,820	
	Blue Collars	Women	117	4.3%	$50,570	22.45%
		Men	2,628	95.7%	$65,210	
	TOTAL 2022	**Women**	**599**	**14.3%**	**€82,726**	**1.02%**
		Men	**3,579**	**85.7%**	**€83,577**	
	TOTAL 2021	**Women**	**680**	**13.2%**	**€73,406**	**-1.42%**
		Men	**4,477**	**86.8%**	**€72,376**	
Poland	Executives/Senior Manager/ Manager	Women	306	19.0%	zł185,394	15.89%
		Men	1,297	81.0%	zł220,423	
	Senior Professionals/Supervisors	Women	270	45.4%	zł146,586	10.17%
		Men	325	54.6%	zł163,190	
	Professionals	Women	727	46.2%	zł93,327	8.15%
		Men	845	53.8%	zł101,612	
	Administratives/Support	Women	197	70.6%	zł69,885	13.18%
		Men	82	29.4%	zł80,497	
	Blue Collars	Women	34	1.7%	zł50,170	10.62%
		Men	2,019	98.3%	zł56,129	
	TOTAL 2022	**Women**	**1,534**	**25.0%**	**€118,472**	**1.94%**
		Men	**4,568**	**75.0%**	**€120,812**	
	TOTAL 2021	**Women**	**1,443**	**24.0%**	**€111,202**	**1.22%**
		Men	**4,559**	**76.0%**	**€112,575**	
Chile	Executives/Senior Manager/ Manager	Women	8	14.8%	€71,898,643	17.28%
		Men	46	85.2%	€86,917,375	
	Senior Professionals/Supervisors	Women	24	13.0%	€33,793,271	10.95%
		Men	160	87.0%	€37,950,567	
	Professionals	Women	61	20.6%	€22,557,246	14.32%
		Men	235	79.4%	€26,328,450	
	Administratives/Support	Women	73	43.5%	€15,063,257	11.07%
		Men	95	56.5%	€16,938,683	
	Blue Collars	Women	210	5.0%	€16,183,775	7.51%
		Men	3,932	95.0%	€17,498,399	
	TOTAL 2022	**Women**	**376**	**7.8%**	**€21,963,069**	**-12.45%**
		Men	**4,468**	**92.2%**	**€19,530,994**	
	TOTAL 2021	**Women**	**405**	**8.8%**	**€16,136,709**	**-8.30%**
		Men	**4,194**	**91.2%**	**€14,899,985**	

Canada (**)	Executives/Senior Manager/ Manager	Women	5	25.0%	$138,790	27.79%
		Men	15	75.0%	$192,191	
	Senior Professionals/Supervisors	Women	3	60.0%	$124,533	19.27%
		Men	2	40.0%	$154,260	
	Professionals	Women	1	10.0%	$95,000	19.59%
		Men	9	90.0%	$118,147	
	Administratives/Support	Women	12	85.7%	$64,694	29.90%
		Men	2	14.3%	$92,293	
	Blue Collars	Women	46	8.1%	$70,297	7.73%
		Men	520	91.9%	$76,190	
	TOTAL 2022	**Women**	**67**	**10.9%**	**€77,202**	**3.97%**
		Men	**548**	**89.1%**	**€80,398**	
	TOTAL 2021	**Women**	**680**	**13.2%**	**€73,406**	**-1.42%**
		Men	**4,477**	**86.8%**	**€72,376**	

(*) Salary supplements are understood to be those remunerations received by employees which, together with the base salary, make up the total salary structure. These amounts are related to the work performed by employees (night work, overtime, etc.), to their personal or professional conditions (such as languages or productivity), or to the company's results (such as the annual variable).
(**) The presentation criteria for data corresponding to the United States and Canada has been modified from 2021 to 2022, the latter being reported separately, whereas in 2021 they were reported jointly.

Gender pay gap 2022 (expressed in local currency) by age group. Data as of 12.31.2022 - Base Salary + Salary Supplements (*)

Country	Age group	Gender	Nº employees	% employees	Average salary	% Gender pay gap
Spain	0-30	Women	120	27.7%	€34,347	-10.67%
		Men	313	72.3%	€31,034	
	30-45	Women	360	19.8%	€47,352	-6.76%
		Men	1,462	80.2%	€44,354	
	>45	Women	431	13.6%	€56,158	-1.86%
		Men	2,727	86.4%	€55,135	
	TOTAL 2022	**Women**	**911**	**16.8%**	**€49,637**	**0.32%**
		Men	**4,502**	**83.2%**	**€49,795**	
	TOTAL 2021	**Women**	**15,820**	**50.9%**	**€25,393**	**20.78%**
		Men	**15,271**	**49.1%**	**€32,055**	
United Kingdom	0-30	Women	75	32.3%	£35,282	5.26%
		Men	157	67.7%	£37,240	
	30-45	Women	147	28.9%	£50,654	8.45%
		Men	361	71.1%	£55,329	
	>45	Women	71	16.9%	£46,154	23.44%
		Men	349	83.1%	£60,286	
	TOTAL 2022	**Women**	**293**	**25.3%**	**€45,627**	**15.58%**
		Men	**867**	**74.7%**	**€54,047**	
	TOTAL 2021	**Women**	**4,217**	**29.9%**	**€23,614**	**34.34%**
		Men	**9,881**	**70.1%**	**€35,963**	
USA (**)	0-30	Women	169	14.8%	$68,106	-19.10%
		Men	972	85.2%	$57,185	
	30-45	Women	249	16.8%	$86,916	12.93%
		Men	1,233	83.2%	$99,818	
	>45	Women	181	11.6%	$90,310	-4.75%
		Men	1,374	88.4%	$86,218	
	TOTAL 2022	**Women**	**599**	**14.3%**	**€82,726**	**1.02%**
		Men	**3,579**	**85.7%**	**€83,577**	
	TOTAL 2021	**Women**	**680**	**13.2%**	**€73,406**	**-1.42%**
		Men	**4,477**	**86.8%**	**€72,376**	

Poland	0-30	Women	409	39.0%	zł86,954	-3.99%
		Men	631	61.0%	zł83,618	
	30-45	Women	917	27.0%	zł123,871	8.25%
		Men	2,392	73.0%	zł135,015	
	>45	Women	208	12.0%	zł172,555	-45.31%
		Men	1,545	88.0%	zł118,750	
	TOTAL 2022	**Women**	**1,534**	**25.0%**	**€118,472**	**1.94%**
		Men	**4,568**	**75.0%**	**€120,812**	
	TOTAL 2021	**Women**	**1,443**	**24.0%**	**€111,202**	**1.22%**
		Men	**4,559**	**76.0%**	**€112,575**	
Chile	0-30	Women	109	9.1%	15.520.651 CLP	0.99%
		Men	1,087	90.9%	15.676.283 CLP	
	30-45	Women	189	8.2%	22.803.377 CLP	-14.49%
		Men	2,104	91.8%	19.916.613 CLP	
	>45	Women	78	5.8%	18.044.799 CLP	17.89%
		Men	1,277	94.2%	21.975.528 CLP	
	TOTAL 2022	**Women**	**376**	**7.8%**	**21.963.069 CLP**	**-12.45%**
		Men	**4,468**	**92.2%**	**19.530.994 CLP**	
	TOTAL 2021	**Women**	**405**	**8.8%**	**16.136.709 CLP**	**-8.30%**
		Men	**4,194**	**91.2%**	**14.899.985 CLP**	
Canada (**)	0-30	Women	12	12.9%	$83,475	-2.76%
		Men	81	87.1%	$81,236	
	30-45	Women	26	13.0%	$81,863	3.42%
		Men	174	87.0%	$84,764	
	>45	Women	29	9.0%	$70,428	9.21%
		Men	293	91.0%	$77,574	
	TOTAL 2022	**Women**	**67**	**10.9%**	**€77,202**	**3.97%**
		Men	**548**	**89.1%**	**€80,398**	
	TOTAL 2021	**Women**	**680**	**13.2%**	**€73,406**	**-1.42%**
		Men	**4,477**	**86.8%**	**€72,376**	

(*) Salary supplements are understood to be those remunerations received by employees which, together with the base salary, make up the total salary structure. These amounts are related to the work performed by employees (night work, overtime, etc.), to their personal or professional conditions (such as languages or productivity), or to the company's results (such as the annual variable).
(**) The presentation criteria for data corresponding to the United States and Canada has been modified from 2021 to 2022, the latter being reported separately, whereas in 2021 they were reported jointly.

Glossary of terms

ACI: Airports Council International 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.

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.

Alignment: an activity is considered aligned according to the EU Taxonomy if it demonstrates a substantial contribution to one of the six EU environmental objectives without having a detrimental impact on any of the other five, and also meets the minimum social safeguards and technical screening criteria.

ASQ: Airport Service Quality Survey. The Airport Service Quality is the world-renowned and globally established global benchmarking program measuring passengers' satisfaction whilst they are travelling through an airport. The program 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.

BuildUp!: Ferrovial's initiative to promote entrepreneurial talent and provide sustainable solutions to the company's internal needs.

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.

CAC: Audit and Control Committee. The Audit and Control Committee is composed of four independent and external directors. It is responsible for the supervision of accounts, internal audit, financial information and risk control.

CDP: Carbon Disclosure Project. CDP is an organization 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 the main responsible for managing the innovation and change management process in an organization. In some cases is 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 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 to achieve this aim.

DBFOM: Design, Building, Finance, Operation and Maintenance.

DBF: Design, Build and Finance

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.

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization. The Earnings Before Interest, Taxes, Depreciation, and Amortization 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).

EIT KICs: Knowledge and Innovation Communities (Innovation Communities) EIT Innovation Communities are partnerships that bring together companies, research centers and universities that harness European innovation and entrepreneurship to find solutions to major societal challenges in areas with high innovation potential and create jobs and quality growth.

Eligibility: an activity is considered eligible under the EU Taxonomy if it demonstrates that it makes a substantial contribution to one of the six EU environmental objectives without having a detrimental impact on any of the other five.

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.

EU Taxonomy: is a new classification system designed by the European Commission to describe whether an activity or business investment can be considered sustainable in terms of climate change adaptation or mitigation.

FRM: Ferrovial Risk Management. The Ferrovial Risk Management (FRM) is and 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.

FTSE4Good: The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

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 privatization of the British Airports Authority as BAA plc as part of Margaret Thatcher's moves to privatize government-owned assets. BAA plc was bought in 2006 by a consortium led by Ferrovial.

IAGC: Informe Anual de Gobierno Corporativo. Annual Corporate Governance Report

IFRS: NIIF. 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 Labor Organization. The International Labor Organization (ILO) is a United Nations agency dealing with labor problems, particularly international labor standards, social protection, and work opportunities for all.

IPCC: The Intergovernmental Panel on Climate Change is the United Nations body for assessing the science related to climate change. It provides regular assessments of the scientific basis of climate change, its impacts and future risks, and options for adaptation and mitigation.

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, Massachusetts (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.

NTO: New Terminal One. Ferrovial, through its Airports division, has agreed to acquire in 2022 a stake in New Terminal One, the consortium appointed to design, build and operate New Terminal 1 at New York's JFK International Airport (which includes Terminals 1 and 2, and the former T3 and potential extensions).

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 decarbonization of the economy needed 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 Mathematics. 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 main 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 prerequisite of the public bond markets.
UTE: Unión Temporal de Empresas. Temporary Joint Venture
WAI: 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)

Informe de Verificación

Independent Assurance Report of the non-financial information included in the Consolidated Management Report for the year ended December 31, 2022

FERROVIAL, S.A. AND SUBSIDIARIES

Building a better working world

Building a better working world

Ernst & Young, S.L.
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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, 2022, of Ferrovial, S.A. and Subsidiaries (hereinafter, Ferrovial), which is part of the accompanying Consolidated Management Report of Ferrovial.

The content of the Consolidated 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 Consolidated 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 current commercial regulation and in accordance with the Global Reporting Initiative Sustainability Reporting Standards (GRI standards), 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 Consolidated Management Report .

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine as 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 management

We have complied with the independence and other ethics requirements of the International Code of Ethics for Accounting Professionals (including international standards on independence) issued by the International Standards Board on Ethics for Accounting Professionals (IESBA) which is based on the fundamental principles of integrity, professional objectivity, competence and diligence, confidentiality and professional behaviour.

Domicilio Social: C/ Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited.

Building a better working world

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and legal provisions and applicable 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 the current 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 execution 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 2022 CMR, reviewing the process for gathering and validating the information included in the in the non-financial information included in the CMR, and applying certain analytical procedures and sampling review tests as described below:

- Meetings 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.
- Analysis of the scope, relevance and integrity of the content included in the in the non-financial information included in the CMR for the year 2022 based on the materiality analysis made by Ferrovial and described in section "Reporting Principles", considering the content required by prevailing mercantile regulations.
- Analysis of the processes for gathering and validating the data included in the non-financial information included in the 2022 CMR.
- Review of 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 2022 CMR.
- Check, through tests, based on a selection of a sample, the information related to the content of the non-financial information included in the 2022 CMR and its correct compilation from the data provided by the information sources.
- 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.

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Paragraph of emphasis

Regulation (EU) 2020/852 of the European Parliament and the Council, June 18 2020, on the establishment of a framework to facilitate sustainable investments settles the obligation to disclose information on how and to what extent the company's activities are associated with economic activities that are considered aligned in relation to climate change mitigation and adaptation objectives for the first time for the financial year 2022, additionally to the information related to eligible activities required in financial year 2021. Consequently, comparative information about alignment has not been included in the accompanying Consolidated Management Report. Additionally, information has been included, for which the Board of Directors of Ferrovial have chosen to apply the criteria that, in their opinion, best enable compliance with the new obligation and which are defined within the "Taxonomy" chapter of the accompanying Consolidated Management Report. Our conclusion has not been modified in relation to this matter.

Conclusion

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 , 2022 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and in accordance with GRI Standards, as well as other criteria, 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 Ferrovial 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.

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- 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.

Use and distribution

This report has been prepared as required by current commercial regulation in Spain, thus it may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

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Alberto Castilla Vida

February 28, 2023

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407 ETR Toll Road, Toronto, Canada.

Consolidated financial statements


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A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR 2022 AND 2021

Assets (million euro)	Note	2022	2021 (*)
Non-current assets		**18,865**	**15,852**
Goodwill on consolidation	3.1	480	431
Intangible assets	3.2	137	126
Fixed assets in infrastructure projects	3.3	13,667	11,185
Intangible asset model		13,504	11,016
Financial asset model		163	169
Property, plant and equipment	3.4	479	354
Rights of use	3.7	183	176
Investments in associates	3.5	1,892	1,838
Non-current financial assets	3.6	1,095	879
Loans granted to associates		246	227
Restricted cash in infrastructure projects and other financial assets	5.2	597	579
Other receivables		252	73
Deferred taxes	2.8	784	570
Long-term financial derivatives at fair value	5.5	148	293
Current assets		**7,419**	**9,030**
Assets held for sale and discontinued operations	1.1.3	2	1,641
Inventories	4.1	475	404
Current income tax assets		19	79
Short-term trade and other receivables	4.2	1,609	1,344
Trade receivables for sales and services		1,300	1,068
Other short-term receivables		309	276
Other short-term financial assets		0	11
Cash and cash equivalents	5.2	5,130	5,536
Infrastructure project companies		168	207
Restricted cash		38	47
Other cash and cash equivalents		130	160
Ex-infrastructure project companies		4,962	5,329
Short-term financial derivatives at fair value	5.5	184	15
TOTAL ASSETS		**26,284**	**24,882**

Liabilities and equity (million euro)	Note	2022	2021
Equity	5.1	**6,354**	**5,829**
Equity attributable to shareholders		4,113	4,039
Equity attributable to non-controlling interests		2,241	1,790
Deferred income	6.1	**1,410**	**1,403**
Non-current liabilities		**13,142**	**11,107**
Pension plan deficit	6.2	2	3
Long-term provisions	6.3	416	422
Long-term lease liabilities	3.7	120	115
Borrowings	5.2	10,776	9,513
Debentures and payables of infrastructure project companies		7,893	7,362
Debentures and payables of ex-infrastructure project companies		2,883	2,151
Other payables	6.4	838	72
Deferred taxes	2.8	924	687
Financial derivatives at fair value	5.5	66	295
Current liabilities		**5,378**	**6,543**
Liabilities held for sale and discontinued operations	1.1.3	0	1,395
Short-term lease liabilities	3.7	64	58
Borrowings	5.2	877	1,096
Debentures and payables of infrastructure project companies		74	47
Bank borrowings of ex-infrastructure project companies		803	1,049
Financial derivatives at fair value	5.5	47	110
Current income tax liabilities		30	69
Short-term trade and other payables	4.3	3,430	2,813
Trade payables		1,663	1,544
Advance payments from customers and work certified in advance		1,364	885
Other short-term payables		403	384
Trade provisions	6.3	930	1,002
TOTAL LIABILITIES AND EQUITY		**26,284**	**24,882**

(*) Restated figures (Note 1.1.5)

B. CONSOLIDATED INCOME STATEMENT FOR 2022 AND 2021

Income statement (million euro)	Note	2022 Before fair value adjustments	2022 Fair value adjustments (*)	2022 Total 2022	2021 (***) Before fair value adjustments	2021 (***) Fair value adjustments (*)	2021 (***) Total 2021
Revenue		7,551	0	7,551	6,910	0	6,910
Other operating income		2	0	2	1	0	1
TOTAL OPERATING INCOME	2.1	**7,553**	**0**	**7,553**	**6,911**	**0**	**6,911**
Materials consumed		1,197	0	1,197	1,085	0	1,085
Other operating expenses	2.2	4,183	-1	4,182	3,922	1	3,923
Staff costs	2.3	1,446	0	1,446	1,293	0	1,293
TOTAL OPERATING EXPENSES		**6,826**	**-1**	**6,825**	**6,300**	**1**	**6,301**
EBITDA	2.4	**727**	**1**	**728**	**611**	**-1**	**610**
Fixed asset depreciation		299	0	299	270	0	270
Operating profit/(loss) before impairment and disposal of fixed assets	2.4	**428**	**1**	**429**	**341**	**-1**	**340**
Impairment and disposal of fixed assets (**)	2.5	-6	0	-6	38	1,101	1,139
Operating profit/(loss)		**422**	**1**	**423**	**379**	**1,100**	**1,479**
Net financial income/(expense) from financing		-243	0	-243	-220	0	-220
Profit/(loss) on derivatives and other net financial income/(expense)		-22	-100	-122	-4	-84	-87
Net financial income/(expense) from infrastructure projects		**-265**	**-100**	**-365**	**-224**	**-84**	**-307**
Net financial income/(expense) from financing		1	0	1	-27	0	-27
Profit/(loss) on derivatives and other net financial income/(expense)		-4	48	44	-1	1	-1
Net financial income/(expense) from ex-infrastructure projects		**-3**	**48**	**45**	**-28**	**1**	**-28**
Net financial income/(expense)	2.6	**-268**	**-52**	**-320**	**-252**	**-83**	**-335**
Share of profits of equity-accounted companies	2.7	158	7	165	-174	-3	-178
Consolidated profit/(loss) before tax		**312**	**-44**	**268**	**-47**	**1,014**	**966**
Corporate income tax	2.8	-35	5	-30	-13	21	9
Consolidated profit/(loss) from continuing operations		**277**	**-39**	**238**	**-60**	**1,035**	**975**
Profit/(loss) from discontinued operations	2.9	64	0	64	361	0	361
Consolidated profit/(loss) for the year		**341**	**-39**	**302**	**301**	**1,035**	**1,336**
Profit/(loss) for the year attributed to non-controlling interests	2.10	-139	23	-116	-153	15	-138
Profit/(loss) for the year attributed to parent company		**202**	**-16**	**186**	**148**	**1,050**	**1,198**
Net earnings per share attributed to parent company (euro)	2.11		Basic	0.25		Basic	1.63
			Diluted	0.25		Diluted	1.63

(*) Relating to gains and losses arising from changes in the fair value of derivatives and other financial assets and liabilities (Note 5.5), asset and liability impairment (Note 2.5) and the impact of the two items on "Share of profits of equity-accounted companies" (Note 2.7).

(**) The line "Impairment and disposal of fixed assets" primarily includes asset impairment and gains or losses on the purchase, sale and disposal of investments in Group companies and associates. When any such acquisitions or disposals of assets results in a takeover or loss of control, the capital gain relating to the updating of the fair value in respect of the stake maintained is recognized in the column showing fair value adjustments.

(***) Restated figures (Note 1.1.5)

Notes 1.1 to 6.12 form part of the consolidated income statement for 2022 and 2021.

C. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR 2022 AND 2021

	(Million euro)	Note	2022	2021 (**)
a)	**Total consolidated profit/(loss) for the year**		**302**	**1,336**
	Attributed to parent company		186	1,198
	Attributed to non-controlling interests		116	138
b)	**Income and expense recognized directly in equity**	5.1	**456**	**179**
	Fully consolidated companies		333	131
	Impact on hedge reserves	5.5	193	11
	Impact on defined benefit plan reserves (*)	6.2	0	0
	Currency translation differences		160	114
	Tax effect		-20	6
	Companies held for sale		-8	27
	Impact on hedge reserves		0	4
	Impact on defined benefit plan reserves (*)	6.2	0	0
	Currency translation differences		-8	24
	Tax effect		0	-1
	Equity-accounted companies		131	21
	Impact on hedge reserves		236	45
	Impact on defined benefit plan reserves (*)		0	33
	Currency translation differences		-29	-32
	Tax effect		-76	-25
	Transfers to income statement	5.1	**131**	**1**
	Fully-consolidated companies		-47	12
c)	Transfers to income statement		-62	16
	Tax effect		15	-4
	Companies held for sale		178	3
	Transfers to income statement		179	4
	Tax effect		-1	-1
	Equity-accounted companies		0	-14
	Transfers to income statement		0	-14
	Tax effect		0	0
	TOTAL COMPREHENSIVE INCOME		**889**	**1,516**
	Attributed to parent company		**708**	**1,394**
a+b+c	Attributed to non-controlling interests		181	122

(*) The impact on reserves of defined benefit plans is the only item of income and expense recognized directly in equity that cannot subsequently be reclassified to the income statement (Note 5.1).

(**) Restated figures (Note 1.1.5)

Notes 1.1 to 6.12 form part of the consolidated statement of comprehensive income for 2022 and 2021.

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 2022 AND 2021

(Million euro)	Share capital	Share/ Merger premium	Treasury shares	Other equity instruments	Measurement adjustments	Retained earnings and other reserves	Attributed to shareholders	Attributed to non-controlling interests	Total equity
Balance at 31.12.21 (*)	**147**	**218**	**-124**	**507**	**-1,300**	**4,591**	**4,039**	**1,790**	**5,829**
							0		0
Balance at 01.01.22	**147**	**218**	**-124**	**507**	**-1,300**	**4,591**	**4,039**	**1,790**	**5,829**
Consolidated profit/(loss) for the year	0	0	0	0	0	186	186	116	302
Income and expense recognized directly in equity	0	0	0	0	391	0	391	65	456
Transfers to income statement	0	0	0	0	131	0	131	0	131
Total recognized income and expenses for the year	**0**	**0**	**0**	**0**	**522**	**186**	**708**	**181**	**889**
Scrip dividend agreement	3	0	0	0	0	-135	-132	0	-132
Other dividends	0	0	0	0	0	0	0	-160	-160
Treasury share transactions	-5	-218	98	0	0	-321	-446	0	-446
Shareholder remuneration	**-2**	**-218**	**98**	**0**	**0**	**-456**	**-578**	**-160**	**-738**
Share capital increases/reductions	0	0	0	0	0	0	0	356	356
Share-based remuneration schemes	0	0	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	40	40	7	47
Other transactions	**0**	**0**	**0**	**0**	**0**	**40**	**40**	**363**	**403**
Subordinated perpetual bond issues	**0**	**0**	**0**	**1**	**0**	**-9**	**-8**	**0**	**-8**
Scope changes	**0**	**0**	**0**	**0**	**0**	**-88**	**-88**	**67**	**-21**
Balance at 31.12.2022	**145**	**0**	**-26**	**508**	**-778**	**4,264**	**4,113**	**2,241**	**6,354**

(Million euro)	Share capital	Share/ Merger premium	Treasury shares	Other equity instruments	Measurement adjustments	Retained earnings and other reserves	Attributed to shareholders	Attributed to non-controlling interests	Total equity
Balance at 31.12.20	**147**	**647**	**-13**	**506**	**-1,496**	**3,359**	**3,150**	**640**	**3,790**
	0	0	0	0	0	0	0	0	0
Balance at 01.01.21	**147**	**647**	**-13**	**506**	**-1,496**	**3,359**	**3,150**	**640**	**3,790**
Consolidated profit/(loss) for the year	0	0	0	0	0	1,198	1,198	138	1,336
Income and expense recognized directly in equity	0	0	0	0	195	0	195	-16	179
Transfers to income statement	0	0	0	0	1	0	1	0	1
Total recognized income and expenses for the year	**0**	**0**	**0**	**0**	**196**	**1,198**	**1,394**	**122**	**1,516**
Scrip dividend agreement	3	3	0	0	0	-34	-29	0	-29
Other dividends	0	0	0	0	0	0	0	-270	-270
Treasury share transactions	-3	-432	-111	0	0	111	-434	0	-434
Shareholder remuneration	**0**	**-429**	**-111**	**0**	**0**	**77**	**-463**	**-270**	**-733**
Share capital increases/reductions	0	0	0	0	0	0	0	28	28
Share-based remuneration schemes	0	0	0	0	0	-22	-22	0	-22
Other movements	0	0	0	0	0	-4	-4	0	-4
Other transactions	**0**	**0**	**0**	**0**	**0**	**-26**	**-26**	**28**	**2**
Subordinated perpetual bond issues	**0**	**0**	**0**	**1**	**0**	**-8**	**-7**	**0**	**-7**
Scope changes	**0**	**0**	**0**	**0**	**0**	**-9**	**-9**	**1,270**	**1,261**
Balance at 31.12.2021 (*)	**147**	**218**	**-124**	**507**	**-1,300**	**4,591**	**4,039**	**1,790**	**5,829**

Notes 1.1 to 6.12 form part of the consolidated statement of changes in equity for 2022 and 2021.

(*) Restated figures (Note 1.1.5).

E. CONSOLIDATED CASH FLOW STATEMENT FOR 2022 AND 2021

(Million euro)	Note	2022	2021 (*)
Net profit/(loss) attributable to parent company		**186**	**1,198**
Adjustments to profit/(loss)		697	-256
Non-controlling interests		116	138
Net profit/(loss) from discontinued operations	2.9	-64	-361
Tax	2.8	30	-9
Profit/(loss) from equity-accounted companies	2.7	-165	178
Net financial income/(expense)	2.6	320	335
Impairment and disposal of fixed assets	2.5	6	-1,139
Depreciation/amortization	2.4	299	270
EBITDA discontinued operations	2.9	155	332
EBITDA including discontinued operations		**883**	**942**
Tax payments	2.8	-82	-155
Change in working capital (receivables, payables and other)	5.3	-83	-249
Dividends received from infrastructure project companies	3.5	284	272
Cash flows from operating activities		**1,002**	**810**
Investments in property, plant and equipment/intangible assets	3.4	-95	-124
Investment in infrastructure projects	3.3.3	-784	-239
Loans granted to associates/acquisition of companies		-347	-923
Interest received		47	3
Investment of long-term restricted cash		18	119
Divestment of infrastructure projects		0	0
Divestment/sale of companies	1.1.4	429	1,621
Cash flows from investing activities		**-732**	**457**
Cash flows before financing activities		**270**	**1,267**
Capital cash flows from non-controlling interests		350	57
Scrip dividend		-132	-31
Treasury share purchases		-446	-432
Shareholder remuneration	5.1	-578	-463
Dividends paid to non-controlling interests of investees	5.1	-161	-270
Other movements in shareholder's funds	5.1	-69	0
Cash flows from shareholders and non-controlling interests		**-458**	**-676**
Interest paid	2.6	-329	-295
Lease payments	3.7	-72	-131
Increase in borrowings		1,207	603
Decrease in borrowings		-665	-1,671
Net change in borrowings from discontinued operations		1	-51
Cash flows from financing activities		**-316**	**-2,221**
Effect of exchange rate on cash and cash equivalents		**-283**	**99**
Change in cash and cash equivalents due to consolidation scope changes		**4**	**-109**
Change in cash and cash equivalents from discontinued operations	**5.2**	**-81**	**-26**
Change in cash and cash equivalents	**5.2**	**-406**	**-990**
Cash and cash equivalents at beginning of year		5,536	6,526
Cash and cash equivalents at year end		5,130	5,536

Notes 1.1 to 6.12 form part of the consolidated cash flow statement for 2022 and 2021.

(*) Restated figures (Note 1.1.5)

F. NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS FOR 2022

SECTION 1: BASIS OF PRESENTATION AND CONSOLIDATION SCOPE

The information deemed necessary before reading the Ferrovial Annual Accounts is set out in this section.

BASIS OF PRESENTATION AND NEW ACCOUNTING STANDARDS

Ferrovial's consolidated Annual Accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable in the European Union. The accounting policies applied are described in Note 1.3 of this section.

The Company's activities

The disclosures presented in these Annual Accounts include most notably those relating to the distinction between infrastructure project companies and other companies (as defined in Note 1.1.2). Also noteworthy are those relating to the Group's two main assets, the 25% ownership interest in Heathrow Airports Holdings (HAH), which owns Heathrow Airport, and the 43.23% ownership interest in the company that owns the 407 ETR toll road in Toronto (Canada), and the indirect 49% interest in the share capital of JFK NTO LLC, which will be responsible for the remodeling, construction, financing and operation of the New Terminal One facilities at New York's John F. Kennedy International Airport.

Discontinued operations

As further explained in Note 1.1.3, the Services Division divestment process has been completed in 2022, once the infrastructure upkeep and maintenance business in Spain and the Amey business in the UK had been sold.

In January 2022, the sale agreement between Ferrovial and Portobello Capital for the infrastructure upkeep and maintenance business in Spain was completed once all the conditions precedent had been fulfilled. The total price of the shares received by Ferrovial after the price adjustment was EUR 175 million. The sale agreement states that a Ferrovial subsidiary acquired 24.99% of the buyer's capital for a price of EUR 17.5 million.

In addition, on 30 December 2022 the rest of the Amey business in the UK was sold to a company controlled by funds managed by One Equity Partners, which completed the transaction in association with its shareholder Buckthorn Partners.

The net consideration (equity value) received by Ferrovial amounted to GBP 264.6 million (EUR 301.3 million) and is subject to adjustments under the customary completion account approach. A capital gain of EUR 58.3 million was obtained.

Finally, the Chilean mining industry service businesses that will not be divested were reclassified to continuing operations. This reclassification also entailed restating the 2021 information (Notes 1.1.3 and 1.1.5).

Consolidation scope changes

Note 1.1.4 provides detailed information on the main consolidation scope changes in the current year, the most significant being the agreement reached on 10 June whereby Ferrovial invested in the capital of the company JFK NTO LLC which, as mentioned, will remodel, build, finance, operate and maintain the facilities of the new Terminal One at New York's John F. Kennedy International Airport. Ferrovial holds a 49% indirect ownership interest in the project, which is consolidated using the equity method, in accordance with IFRS 11.

Additionally, on July 19, 2022, Ferrovial acquired 60% of the shares of YDA Havalimanı (Dalaman International Airport, hereinafter) from YDA Group. Dalaman International Airport, which is headquartered in Turkey, holds the concession agreement for the management of the Airport terminal until 2042, as well as the parking lots and other ancillary buildings the terminal. YDA Group holds a 40% stake.

In August, the sale of the remaining 20% of the Vía do Infante (Algarve) toll road to DIF Capital Partners was completed for EUR 23 million, as part of the sale of Ferrovial's 49% ownership interest in this concession arranged in 2020.

Impact of the Ukraine war and the macroeconomic situation

On 24 February 2022, Russia began its invasion of Ukraine. At the date of preparation of these consolidated financial statements the conflict has not come to an end.

Although Ferrovial's direct exposure to the conflict is limited, the macroeconomic scenario triggered by this situation includes broad-based price rises, essentially affecting energy and commodities, supply issues and difficulties in the distribution chain for certain materials, particularly in the construction industry. In response, interest rates are rising, impacting the banking and financing markets.

Judgements and estimates

This section also includes the main estimates made by Ferrovial when measuring its assets, liabilities, revenues, expenses and commitments (Note 1.2.3.2).

Foreign exchange effect

Although Ferrovial's functional currency is the euro, a significant portion of its activities is carried out in countries outside the eurozone. The main currencies in which Ferrovial operates have been appreciated against the euro during 2022, in particular the Canadian Dollar and the US Dollar.

Note 1.3 analyses the impact of the main currencies of those countries on the Annual Accounts.

1.1. BASIS OF PRESENTATION, THE COMPANY'S ACTIVITIES AND CONSOLIDATION SCOPE

1.1.1. Basis of presentation

The consolidated annual accounts are presented in compliance with the financial reporting regulatory framework applicable to the Group so as to present fairly the Group's equity, financial position, results and cash flows. The regulatory framework consists of the International Financial Reporting Standards (IFRS-EU) established by Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

1.1.2 The Company's activities

Ferrovial comprises the Spanish parent company, Ferrovial, S.A. and its subsidiaries, details of which are provided in Appendix II. Its registered office is in Madrid at Calle Príncipe de Vergara 135.

Through these companies, Ferrovial engages in the following four lines of business, which are its reporting segments under IFRS 8:

- Construction: Design and build of all manner of public and private works, including most notably the construction of public infrastructures.
- Toll Roads: Development, financing and operation of toll roads.
- Airports: Development, financing and operating of airports.
- Energy Infrastructures and Mobility: This area is reported as a business segment for the first time this year. It basically focuses on developing energy transmission and renewable energy infrastructures, and also includes the Mobility businesses and some of the Services activities that were finally not divested, in particular the waste treatment business in the United Kingdom (Thalia).

For a more detailed description of the various areas of activity in which the consolidated Group conducts business, please consult the Group's website: www.ferrovial.com.

For the purpose of understanding these Annual Accounts, it should be noted that a part of the activity carried out by the Group's business divisions consists of the development of infrastructure projects, primarily in the toll road and airport business lines, but also in the construction and energy fields.

These projects are conducted through long-term arrangements with public authorities under which the concession operator, in which the Group generally has an ownership interest together with other shareholders, finances the construction or upgrade of public infrastructure, mainly with borrowings secured by the project cash flows and capital contributed by shareholders, and subsequently operates and maintains the infrastructure. The investment is recovered by collecting tolls or regulated charges for the use of the infrastructure, or through amounts paid by the authority awarding the contract based on the availability for use of the related asset. In most cases, the construction and subsequent maintenance of the infrastructure are subcontracted by the concession operators to the Group's Construction Division.

From an accounting standpoint, most of these arrangements are within the scope of application of IFRIC 12.

Accordingly, and in order to aid understanding of the Group's financial performance, these Annual Accounts disclose separately the impact of projects of this nature in "fixed assets in infrastructure projects" in long-term financial assets (distinguishing between those to which the intangible asset model is applied from those to which the financial asset model is applied – Note 3.3) and, in particular, in the net cash position and cash flow disclosures, in which the flows from "ex-infrastructure projects" (grouping the cash flows generated by the Construction and Services businesses, dividends from capital invested in infrastructure projects and investments in or divestments of project capital) are presented separately from project flows, which include the cash flows generated by the relevant concession operators. A list of the companies regarded as infrastructure project companies can be consulted in Appendix II.

It should also be noted that two of the Group's main assets, which are equity accounted, are a 25% ownership interest in Heathrow Airport Holdings (HAH), the company that owns Heathrow Airport in London (UK), a 43.23% ownership interest in 407 ETR, the concession operator of the 407 ETR toll road in Toronto (Canada), and finally, the 49% indirect ownership interest in the share capital of the company JFK NTO LLC, the concession company of the New Terminal One at the International John F. Kennedy Airport in New York. In order to provide detailed information on these three companies, the Note 3.5 on investments in equity-accounted companies includes information relating to the changes in these companies' balance sheets and income statements, which is complemented by information considered to be of interest in other notes to the accounts.

1.1.3. Assets and liabilities held for sale and discontinued operations

Discontinued operations

As indicated, the Services Division divestment process has been completed in 2022, once the infrastructure upkeep and maintenance business in Spain and the Amey business in the UK had been sold (Note 1.1.4).

Additionally, as explained in Note 1.1.5, the Chilean mining industry operation and maintenance services were reclassified as continuing operations in 2022. In accordance with accounting legislation, the previous-year comparative information was restated when this business was taken to continuing operations, since it has not been finally divested.

Divestments made during 2022 are described below:

On 31 January 2022, the sale agreement between Ferrovial and Portobello Capital for the acquisition of the infrastructure upkeep and maintenance business in Spain was completed once all the conditions precedent had been fulfilled. The total price of the shares received by Ferrovial was EUR 171 million and following the price adjustment it increased to EUR 175 million. The sale agreement states that a Ferrovial subsidiary has acquired 24.99% of the buyer's capital for a price of EUR 17.5 million.

On 30 December 2022, the Amey business in the United Kingdom was sold to a company controlled by funds managed by One Equity Partners, which completed the transaction in association with its shareholder Buckthorn Partners.

The net consideration (equity value) received by Ferrovial amounted to approximately GBP 264.6 million (EUR 301.3 million) and is subject to adjustments under the customary completion account approach. A part of the price was paid in cash for a net amount of approximately GBP 112.8 million (EUR 128.5 million) and the remainder will be settled by means of a credit of GBP 151.8 million (€172.8 million) to the seller, which was arranged on the completion date, is repayable over the coming five years and accrues 6% annual interest (increasing to 8% after year three). The capital gain generated amounts to EUR 58.3 million including the transfer to the income statement of the amounts accumulated in equity of the currency translation differences (EUR -156 million) and the derivatives for hedging interest (EUR -15 million) (see Note 5.1.1).

Previously, the business activity providing financial management services for PFI (Private Funding Initiative) investment project companies in the United Kingdom through the subsidiary Amey was sold for GBP 5 million in the first half of the year, while Amey's business area engaged in energy and water infrastructure maintenance was also sold (to British fund Rubicon) for a total price of GBP 20 million, including a deferred payment of GBP 18 million arranged through a loan to the buyer (Note 3.6.2).

Assets and liabilities held for sale

The held-for-sale assets balance of EUR 2 million relates to land owned by the company Southern Crushed Concrete (SCC), a Webber subsidiary (Construction Division). The land was sold in the first week of February 2023 to the company BCG Investment Group for a price of USD 2.3 million.

1.1.4. Consolidation scope changes and other divestments of investees

There follows a description of the most significant consolidation scope changes in 2022.

Airports

Investment in the company JFK NTO LLC, holding the concession for the new Terminal One at New York's JFK Airport

On 10 June, the agreement whereby Ferrovial invested in the capital of JFK NTO LLC, which will remodel, build, finance, operate and maintain the facilities of the New Terminal One at New York's John F. Kennedy International (JFK) Airport, came into effect.

Ferrovial holds a 49% indirect ownership interest in the project. The other shareholders are JLC and Ullico, which have direct interests of 30% and 19%, respectively, and Carlyle with an indirect ownership interest of 2%.

Also on 10 June, the concession agreement between JFK NTO and the Port Authority of New York and New Jersey and the financing and construction contracts between the concession operator, the financing banks and the design and build contract supplier came into force.

The forecast investment in the project amounts to USD 10,800 million (Phases A and B) and will be funded by a capital contribution of USD 2,330 million from the project partners, of which Ferrovial will contribute USD 1,142 million (USD 62.3 million contributed in December 2022) and the remainder will be funded by non-recourse borrowings obtained by the shareholders.

In June 2022, JFK NTO LLC arranged a loan of approximately USD 6,330 million with a banking syndicate (USD 1,430 million drawn down at December 2022). The terminal is expected to come into operation in 2026. The concession agreement is for the operation of airport until 2060.

At the financial close, a contingent consideration was agreed with Carlyle, which materialization depends on the future profitability of the project. According to the current forecasts, no payment is considered in the probable scenario; however, if future forecasts shows a different amount, a payment would be recorded. In addition, as part of the JFK NTO investment transaction, Ferrovial and Carlyle agreed to put and call options, on the percentage that Carlyle holds in the project, which would be exercisable at different moments in time by each partner, once the concession is operational. The exercise value would be the existing market value at the exercise time; as the project has just been initiated, at this point in time the difference between the invested amount and the asset current fair value would tend to zero.

Under the concession agreement, JFK NTO LLC is expected to obtain revenues basically comprising airport fees that will be charged to airlines and rent from retail concessions needed to operate the airport's commercial area.

As required by IFRS 10, the shareholder agreements and the other project contracts have been analyzed and the conclusion was drawn that the qualified majorities and minority shareholders' veto rights set out in the aforementioned agreements for the approval of most of the important decisions means that they must be taken, de facto, with the support of the other shareholders, entailing a situation of joint control. The ownership interest in the project is consolidated using the equity method, in accordance with IFRS 11.

The conclusion was drawn, following an analysis, that the concession agreement with the Port Authority comes under the scope of IFRIC 12, so the costs incurred by the company during the construction phase are capitalized and carried as intangible assets to be amortized during the operating phase, which ends in 2060.

Acquisition and takeover of the Dalaman International Airport

a. Description of the transaction

On 19 July 2022, the Group acquired 60% of the voting shares in YDA Havalimanı (Dalaman International Airport) as part of the strategy of diversifying the airport portfolio when growth opportunities are identified. This Turkish company was awarded the concession agreement to refurbish and operate Dalaman International Airport. The total nominal price amounts to EUR 146.1 million, of which EUR 119.2 million has already been paid as of December 2022, another EUR 15.2 million corresponds to a deferred payment to be made in October 2023, and the remaining EUR 11.7 million corresponds to an estimated variable payment (earn-out), which will depend on the volume of euros in nominal terms of the airport's international passengers. The functional currency is euro.

The YDA Group, which currently holds a 40% stake, was awarded the 26-year concession to operate the airport in 2014. The concession agreement also included the construction of a new international terminal that came into operation in 2018.

Fees per passenger are set and collected in euros under the concession agreement. An agreement was reached in November 2021 to extend the concession to 2042 as a result of COVID-19.

The acquisition of the 60% stake means that Ferrovial holds the majority of voting rights on the concession operator's Board and can therefore direct its relevant activities.

Ferrovial has control of the company in accordance with IFRS 10, paragraph 10. Accordingly, the ownership interest in the concession company is fully consolidate.

b. Purchase price allocation

IFRS 3.18 states that the acquiring company must measure the identifiable assets acquired and liabilities assumed at fair value on the acquisition date.

IFRS 3.32 also stipulates that the acquiring company must recognize goodwill on the acquisition date in the amount of the difference between (a) the sum of the consideration paid and (b) the net amount of identifiable assets acquired measured at fair value.

The accounting standard establishes a one-year measurement period as from the acquisition date during which time the acquiring company will recognize additional assets and liabilities if new information is obtained on the facts and circumstances concurring at the acquisition date. The value recognized by the company to date is therefore provisional.

The following table reflects the carrying amount of the Dalaman Airport assets and liabilities before the acquisition, the fair value adjustments made and the resulting assets and liabilities (for simplicity, the June 2022 balance sheet was used, since the effect of 19 days to the transaction date is immaterial, as indicated later on):

Million euro	CARRYING AMOUNT 30 JUNE 2022	FAIR VALUE ADJUSTMENTS	FINANCIAL STATEMENTS AT FAIR VALUE	
Property, plant and equipment	0.5		0.5	
Intangible assets (Note 3.3.1.)	559	79	638	
Concession operating fee pending payment	399	-138	261	
Construction costs	160		160	
Right to operate the airport	0	217	217	
Deferred tax assets	18		18	
TOTAL NON-CURRENT ASSETS	**578**	**79**	**657**	
TOTAL CURRENT ASSETS	**14**		**14**	
TOTAL ASSETS	**592**	**79**	**671**	
Bank borrowings	124	-9	115	
Concession operating fee pending payment	419	-138	281	
Payables to former shareholders	19	-3	17	
Other payables	18		18	
Deferred tax liability (Note 2.8.3)		46	46	
TOTAL LIABILITIES	**580**	**-104**	**476**	
CARRYING AMOUNT / FAIR VALUE 100%	**12**	**183**	**196**	*A*
Fair value 60% (A*60%)			117	*B*
Acquisition cost			145	*C*
GOODWILL ASSOCIATED WITH DEFERRED TAX LIABILITY (Note 3.1.1)			**27**	*C-B*

The main fair value adjustments made are explained below:

i. Bank borrowings:

In October 2016, the concession company arranged a loan of EUR from the European Bank for Reconstruction and Development (EBRD) to fund the new international terminal. The balance of this debt at the acquisition time amounted to EUR 124 million. This loan accrues an interest rate of Euribor plus a spread of +4.2%.

Fair value was calculated by discounting flows at a rate representing current financial conditions. The resulting adjustment reduced the carrying amount of the debt by EUR 9 million.

ii. Intangible asset:

It mainly comprises the concession operating fee payable to the granting entity during the concession term discounted to present value (EUR 261 million), the construction costs incurred to build the new terminal, which was completed in 2018 (EUR 160 million) and the right to operate the airport (EUR 217 million). The adjustment for the intangible asset identified at the acquisition date stands at EUR 79 million.

The concession agreement stipulated a total payment of EUR 705 million to be paid annually to the grantor. This initially entailed recognizing a liability for the net present value of the payments and an intangible asset in the same amount (EUR 419 million as of June 2022).

Its fair value has been calculated by discounting amounts payable at a rate representing current financial conditions. The resulting adjustment reduced the carrying amount of both the asset and the associated liability by EUR 138 million.

The carrying amount of other assets and liabilities is equal to their fair value. No contingent assets or liabilities have been recognized in relation with this business combination. The transaction costs were expensed.

The Group opted to measure non-controlling interests at fair value by extrapolating the fair value paid per share. No control premium was identified or therefore included in the fair value calculation.

c. Tax effects of the transaction

Under paragraphs 19 and 20 of IAS 12, if a balance sheet item is recognized at fair value in a business combination when its tax value has not changed, a deferred tax asset or liability must be recorded. A 20% tax rate was applied, this being the corporate tax rate in Turkey. The net deferred tax effect is a deferred tax liability of EUR 46 million.

The goodwill recognized on the acquisition amounts to EUR 27 million and is essentially a balancing item for the tax effects described above and recognized by the parent company pursuant to IAS 12, paragraph 66. No goodwill was recognized for the non-controlling interests. The goodwill recorded relates to the Group's 60% ownership interest.

d. Impact of the acquisition on the 2022 accounts

Since the acquisition date, Dalaman International Airport has contributed EUR 44 million in revenues and 12,8 after taxes. Had the combination taken place at the start of the year, revenue contributed to continuing operations would have amounted EUR 61 million and the after tax from continuing operations would have amounted to EUR 22,7 million.

Toll Roads

In August 2022, Ferrovial received EUR 23 million following completion of the sale of 20% of the Vía do Infante (Algarve) toll road in Portugal to DIF Capital Partners arranged in 2020.

Ferrovial, through its toll road subsidiary Cintra, also acquired a further 7.135% interest in the I-77 toll road in North Carolina, USA in November 2022. The transaction is valued at USD 109 million (EUR 105 million). Ferrovial's stake in the asset will thus increase from 65.1% to 72.24%.

In accordance with IFRS 3, and since the company was already fully consolidated, the difference between the price paid and the book value of the acquired stake is recorded against the reserves of the parent company (EUR -88 million) and by reducing the amount of minority interests (EUR-15 million as per Note 5.1.1).

Services

As explained in the note on held-for-sale assets and liabilities and discontinued operations (Note 1.1.3), FY 2022 saw the completion of the Services business divestment process thanks to the sale of the infrastructure upkeep and maintenance businesses in Spain and the services business in the UK (Amey).

1.1.5. Restatement of the comparative financial statements

As indicated in Note 1.1.3, in 2022 the decision was made to treat the Chilean mining industry operation and maintenance services business as a continuing operation.

The 2021 information on this business has been restated.

This restatement had the following impact on the consolidated Annual Accounts:

	DEC. 2021		DEC. 2021
(Million euro)	**Audited**	**Adjusted**	**Restated**
Non-current assets	**15,794**	**58**	**15,852**
Goodwill	420	11	431
Intangible assets	126	1	127
Fixed assets in infrastructure projects	11,185	0	11,185
Property, plant and equipment	348	6	354
Right of use	156	20	176
Deferred taxes	549	21	570
Investments in associates	1,838	0	1,838
Other non-current assets	1,172	-1	1,171
Current assets	**9,102**	**-72**	**9,030**
Assets held for sale	1,761	-120	1,641
Short-term trade and other receivables	1,317	27	1,344
Cash and cash equivalents	5,515	21	5,536
Other current assets	509	0	509
TOTAL ASSETS	**24,896**	**-14**	**24,882**

	DEC. 2021		DEC. 2021
(Million euro)	**Audited**	**Adjusted**	**Restated**
Equity	**5,839**	**-10**	**5,829**
Deferred income	**1,402**	**0**	**1,402**
Non-current liabilities	**11,078**	**29**	**11,107**
Borrowings	9,512	1	9,513
Long-term lease liabilities	108	7	115
Other long-term payables	69	4	73
Deferred taxes	670	17	687
Financial derivatives at fair value	295	0	295
Other non-current liabilities	424	0	424
Current liabilities	**6,577**	**-33**	**6,544**
Liabilities held for sale	1,478	-83	1,395
Borrowings	1,074	22	1,096
Short-term lease liabilities	51	7	58
Short-term trade and other payables	2,793	20	2,813
Trade provisions	1,002	0	1,002
Other current liabilities	179	1	180
TOTAL LIABILITIES	**24,896**	**-14**	**24,882**

	DEC. 2021		DEC. 2021
(Million euro)	**Audited**	**Adjusted**	**Restated**
Operating income	6,779	132	6,911
Total operating expenses	-6,183	-118	-6,301
EBITDA	**596**	**14**	**610**
Fixed asset depreciation	259	11	270
Operating profit/(loss) before impairment and disposal of fixed assets	**337**	**3**	**340**
Profit/(loss) from impairment and disposal of fixed assets	1,139	0	1,139
Operating profit/(loss)	**1,476**	**3**	**1,479**
Net financial income/(expense)	**-334**	**-1**	**-335**
Share of profits of associates	-178	0	-178
Consolidated profit/(loss) before tax	**964**	**2**	**966**
Corporate income tax	10	-1	9
Profit/(loss) from continuing operations	**974**	**1**	**975**
Net profit/(loss) from discontinued operations	361	0	361
Consolidated profit/(loss) for the	**1,335**	**1**	**1,336**
Profit/(loss) for the year attributed to non-controlling interests	-138	0	-138
Profit/(loss) for the year attributed to parent company	**1,197**	**1**	**1,198**

1.2. CURRENT ECONOMIC SITUATION AND GOING CONCERN EVALUATION

1.2.1 Going concern assessment

Ferrovial is confronting 2023 in a position of very high liquidity. In December 2022, ex-infrastructure projects, liquidity reached EUR 6,118 million, including liquidity lines available at the ex-infrastructures level in the amount of EUR 964 million. The ex-infrastructures net cash position stood at EUR 1,439 million at end-December 2022. It should also be noted that the Group's short-term assets and liabilities, including cash and debt, show a positive balance at end-December 2022.

As in the prior financial years, in order to conclude as to the Company's capacity to continue as a going concern, the Group has analyzed future cash needs, focusing on the financial years 2023 and 2024, also including a pessimistic scenario with a series of stress assumptions regarding the Company's cash flow, most notably:

- Reduction in additional dividends from infrastructure project companies in 2023 and 2024 (50% in the case of airports and toll roads and all dividends in the case of energy).
- Construction business cash flows for 2023 and 2024 are projected to fall by 50% in terms of 2022 working capital (excluding provisions and lease payments), estimated at around EUR -90 million per annum.
- Contingent capital contributions of around EUR 100 million per annum.

The conclusion drawn from the analysis demonstrates that, although the scenario would entail a deterioration of the Company's cash position, cash resources would continue to be sufficient to meet commitments. Therefore, based on the available information, no material uncertainties have been identified with respect to events or conditions that could raise significant doubts regarding the Group's capacity to continue operating under the going concern principle for twelve months following the date these Annual Accounts are signed.

1.2.2 Impact of COVID-19

More than two years after the World Health Organization declared the Covid-19 global pandemic, 2022 was a turning point to returning to pre-pandemic normality. This has allowed the countries in which Ferrovial operates to lift the restrictions on mobility and on economic activities that were in force since the start of the pandemic, although at an uneven rate depending on the country, and with ups and downs caused by the new variants and successive waves, especially with Omicron at the start of the year. The direct result of this has been the recovery in demand for the activities carried out by Ferrovial and the confirmation of the favorable outlook.

Accordingly, it may be concluded at year-end 2022, and despite the fact that certain assets have not recovered the traffic levels of 2019, that Ferrovial's activities are no longer directly affected by COVID-19 and the associated restrictions. Nevertheless, the pandemic has implied a change in the habits of infrastructure use, highlighting the consolidation of hybrid work models, with the associated impact on peak hours, as well as the increased traffic recorded by heavy vehicles, related to the increase in e-commerce.

1.2.3 Impact of the Russia and Ukraine conflict.

The conflict between Russia and Ukraine began on 24 February 2022. The conflict has not reached an end at the issuance date of these Consolidated Financial Statements. The European Union, together with the United States and most NATO countries, condemned the attack and approved various economic measures in the form of sanctions on the Russian economy so as to dissuade them. The measures taken are affecting the economies of all countries.

The ensuing macroeconomic scenario has caused widespread price rises, essentially relating to energy and commodities.

In some cases, there have also been supply issues and difficulties in the distribution chain for certain materials, particularly in the construction industry. In response, interest rates are rising, impacting the banking and financing markets.

Ferrovial's direct exposure to the conflict is limited, since none of the Group's businesses operates in Russia or Ukraine. The Group businesses closest to the conflict area are the construction business Budimex (in Poland) and the concession for the D4R7 Bratislava ring road (in Slovakia), as both countries have borders with Ukraine. However, none of the businesses have been significantly impacted to date.

The indirect impact on Ferrovial's activities varies depending on the nature of the business. Although Ferrovial does not envisage material effects as a result of the conflict, the Construction business has been the most vulnerable due to the increasing costs of certain raw materials. The Toll Roads business has been positively impacted due to the rate rise in assets directly linked to inflation and is adversely exposed to the possible impact of rising fuel prices on traffic. Finally, no relevant impact is expected in the Airports business due to the scant exposure to passenger traffic from these regions in the airports managed by Ferrovial, although the effect of inflation on ticket prices could have a certain dissuasive effect.

With the aim of presenting the global impact of the Russian-Ukrainian conflict and in line with ESMA's recommendations, this note provides an explanation of the impact on the financial statements, an analysis of the possible impact of the conflict on the impairment of assets and an assessment of the potential impact on the main financial risks.

1.2.3.1 Impact on the financial statements for 2022 and mitigating measures adopted

The effects of the Russian conflict with Ukraine on Ferrovial's business results are described below:

Construction Division

The Construction business was primarily affected by inflation: rising prices of materials, more expensive energy and thus an increase in workers' salaries. The conflict has also caused issues in the supply and distribution chain for certain materials, leading to delays and reducing their supply.

This all put pressure on project margins, which varied depending on the geography, and has resulted in a worsening of the operating income of the Construction division in 2022 of approximately 100 million euros.

In the event that inflation levels remain similar to the current levels in the future, we do not estimate any material negative net impact in our Financial Statements in addition to those already mentioned.

The mechanisms in place to mitigate the effects, are essentially two: direct claims to customers or use of specific indexation formulae to pass this cost on to customers (in contracts that specifically include such mechanisms).

Other types of contracts (mainly in the UK) are free from such risk as they are target cost plus contracts in which the price is calculated based on cost incurred plus an agreed mark-up.

In some countries such as Spain and Poland, price rises are partially offset under the following laws:

- In Spain, RDL 6/2022 of 30 March (on urgent measures under the National Plan to respond to the economic and social consequences of the war in Ukraine) offsets price rises of more than 5% up to a ceiling of 20% of the total contract amount for contracts entered into with the central government (this plan may also be endorsed by regional governments and local corporations). All Spain's regional governments and our main public customers have now adhered to the plan. This mechanism does not apply to energy prices, only to costs of other materials such as steel, bituminous products, aluminum and copper.
- In Poland, the Infrastructure Ministry updated the road price review mechanism, increasing the maximum offset from 5% to 10%, which affects this type of civil works contracts. However, the maximum is still 5% for Railways.

These mechanisms allow us to conclude that approximately 80% of the division's portfolio is protected against the effects of rising inflation.

The impact of these mitigating measures on future results is currently difficult to quantify and will depend partly on the outcome of negotiations with clients in the coming months. Under the Group's accounting policies (Note 1.3.3.4), income from cost compensation claims is only recognized where recovery is deemed highly probable.

In addition, Ferrovial has implemented an action plan to mitigate the adverse effects aforementioned both for projects in progress and for those that are in the bidding stage. Among other actions, the plan includes monitoring the supply situation and reporting monthly on material price rises and estimated trends, developing artificial intelligence and data analysis systems to predict prices and making fixed price commitments to avoid volatility.

Airports Division

The Airports business was not directly affected by the conflict, as described.

The passenger trend was directly related to the evolution of the pandemic and restrictions during the year, as explained in the previous section:

Passenger trends (*)	Q1-22	Q2-22	Q3-22	Q4-22	2022 (**)
Heathrow	**-46%**	**-21%**	**-18%**	**-13%**	**-24%**
Dalaman	**-16%**	**-15%**	**-7%**	**12%**	**-8%**
Aberdeen	-45%	-30%	-30%	-24%	-32%
Glasgow	-45%	-24%	-12%	-18%	-26%
Southampton	-76%	-70%	-61%	-56%	-65%
TOTAL AGS	**-49%**	**-31%**	**-29%**	**-25%**	**-33%**

(*) Compared to the same quarter of 2019

(**) As compared to 2019

At Heathrow, traffic with Russia and Ukraine historically accounted for less than 1% of the total (0.99% in 2019, 0.94% in 2020 and 0.72% in 2021). Therefore, the impact on the financial statements and covenants is immaterial.

The recently included Dalaman Airport (Turkey) reached around 900,000 Russian and Ukrainian passengers in 2019. They accounted for 20% and 7% of its total international traffic, respectively. In 2022, the upturn in British travelers (+16% v. 2019) and the recovery of domestic traffic partially offset the loss of Russian and Ukrainian passengers.

Despite this, there is a risk that the airlines may pass on the increases in the price of flights causing demand for travel to fall, in a negative economic scenario in which fuel prices rise considerably. However, such effects are hard to quantify.

Toll Roads Division

As mentioned previously, the Toll Roads business is not directly affected by the conflict.

In this case, and unlike Construction, inflation has a positive impact since many asset tariffs are linked to the Consumer Price Index. One example is the case of the Dallas toll road assets (NTE, LBJ and NTE35W), where the soft cap is updated each year based on the annual rise in inflation. The soft cap was increased by 7% in 2022 and by 6.5% in 2023.

Conversely, rising fuel prices could adversely impact traffic, particularly in a flexible scenario allowing home working. In an economic recession scenario in which purchasing power declines, demand for assets of this kind could fall.

Finally, it should be noted that rising interest rates could also affect the capacity to finance new projects awarded and could also lead to tendering processes being cancelled and that generally speaking the volume of works tendered could be lower. In the case of the North American toll road portfolio, the interest rate hike to control inflation had no adverse effects, as the borrowings accrue interest at fixed rates. In order to hedge interest rate risk, in the projects whose borrowings bear interest at a variable rate, the concession holders have arranged interest rate hedges on the projects' debt.

Traffic trends on the main toll roads in North America in 2022 (compared to pre-pandemic levels in 2019) are analyzed below:

Traffic trends (*)	Q1-22	Q2-22	Q3-22	Q4-22	2022 (**)
407 ETR	-34%	-19%	-12%	-15%	-19%
NTE	-1%	9%	9%	11%	7%
LBJ	-20%	-12%	-19%	-19%	-18%
NTE 35W	9%	11%	2%	4%	6%

(*) Compared to the same quarter of 2019

(**) As compared to 2019

The trend compared to the previous year is shown below:

Traffic trends (*)	Q1-22	Q2-22	Q3-22	Q4-22	2022 (**)
407 ETR	46%	66%	18%	14%	30%
NTE	21%	10%	5%	5%	9%
LBJ	21%	8%	2%	2%	7%
NTE 35W	10%	-5%	-8%	-3%	-2%

(*) Compared to the same quarter of 2021

(**) As compared to 2021

A positive trend may be observed in the table above in relation to the evolution of the pandemic and no material adverse impacts may be observed as a result of the conflict.

Compared to 2019, 407 ETR traffic was impacted at the beginning of 2022 by the resumption of mobility restrictions in Ontario province to halt Omicron, measures that were lifted in March.

LBJ remained below 2019 levels primarily due to the positive effect of the construction work carried out in the area in 2019. Compared to 2021, NTE 35W's traffic was affected by the acceleration of the NTE3C works as from second quarter of 2022.

Cash flow effect

The impact of the conflict on Construction business cash flows relates to the adverse trend in short-term working capital (to make large payments), which will progressively recover in the medium term thanks to various recovery mechanisms, particularly claims to be made to clients and specific indexation approaches.

Dividend receipts are not expected to be affected.

1.2.3.2 Impact on asset impairment

As mentioned previously, the businesses have not been significantly affected by the conflict between Russia and Ukraine. However, the current macroeconomic context of rising rates pushed up the discount rates employed in the impairment tests performed, though to a lesser extent in the Toll Roads and Airports Divisions due to the impact of inflation on rates. Despite the situation described no indications of impairment of the Group's assets have been identified.

1.2.3.3 Impact on financial risks

The interest rate hike did not have a material effect on the Company's financial statements because 92% of the Group's borrowings are at fixed rates or are hedged by derivatives, as explained in Note 5.4

Indeed, as indicated below in Note 5.5.b to these consolidated annual accounts on derivatives, prospects of increasing interest rates have had a positive impact on equity due to the increase in value of these interest rate derivatives of EUR 302 million.

As regards rising inflation, besides the business impact, from a financial instruments point of view, the negative impact on equity of EUR -119 million in Autema (Note 5.5.a) is notable, due primarily to the expected increase in inflation.

1.3. ACCOUNTING POLICIES

1.3.1. New accounting standards

1.3.1.a) New standards, amendments and interpretations adopted by the European Union that must be first-time adopted in 2022

The same accounting policies have been applied when preparing these consolidated annual accounts as were applied to the consolidated annual accounts for the financial year ended 31 December 2021, as none of the standards, interpretations or amendments that are applicable for the first time in the current year has had a significant impact on the Group's accounting policies.

1.3.1.b) New standards, amendments and interpretations mandatorily applicable in financial years after 31 December 2022

The new standards, amendments and interpretations approved by the IASB but not yet mandatorily applicable at 31 December 2022 that might have an effect on the Group are as follows:

Standard, interpretation or amendment	Date published in the EU Official	Date applicable in the EU	IASB applicable date
IFRS 17 – Insurance contracts	19 November 2021	1 January 2023	1 January 2023
IFRS 17 – Insurance contracts: first-time adoption of IFRS 17 and IFRS 9 – comparative information	8 September 2022	1 January 2023	1 January 2023
Amendment to IAS 1 Presentation of financial statements: Classification of financial liabilities as current or non-current	Pending	Pending	1 January 2024
Amendments to IAS 1 Presentation of financial statements and IFRS 2 Practice Statement: Disclosure of accounting policies	2 March 2022	1 January 2023	1 January 2023
Amendments to IAS 8 Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates	2 March 2022	1 January 2023	1 January 2023
Amendments to IAS 12 Income taxes: Deferred tax related to assets and liabilities arising from a single transaction	11 August 2022	1 January 2023	1 January 2023

Although the Group is currently analyzing the impact, the preliminary analyses carried out to date do not indicate that first-time adoption will have a material impact on the consolidated annual accounts.

1.3.2. Basis of consolidation

In 2022 and 2021, the reporting dates of the individual annual accounts of all the companies included in the consolidation scope were either the same as, or were temporarily brought into line with, that of the parent company. In this regard, in order to calculate the degree of control, joint control or significant influence in each Group company, the consistency of the ownership interest held with the number of votes controlled in each company under their bylaws and shareholder agreements is reviewed.

In the case of business activities with companies in which joint control is identified, the general basis of consolidation is the equity method. In relation to these businesses, besides situations in which there are two venturers, each with a 50% ownership interest, cases requiring a more in-depth analysis are those relating to infrastructure projects in which Ferrovial is the shareholder with the largest ownership interest (less than or equal to 50%) and has the right to propose the Chief Executive Officer or other executives of the investee, while the other shareholders, mainly infrastructure funds, sit directly on the Board of Directors.

In all these cases, it has been concluded that the projects in question should be equity-accounted, because Ferrovial does not have the right to appoint the majority of the Board Directors and the Board resolutions (including the appointment of the main executive positions) always require a simple or qualified majority, where Ferrovial does not itself have a casting vote in the event of a tie.

Notable cases in this regard are the ownership interests held in the companies that own the following Toll Road projects (the percentage interest held in each is shown in brackets): 407 ETR (43.23%), Slovakia (35%), Toowoomba (40%) and OSARs (50%), as well as the interest in JFK NTO (49%), which was incorporated into the Airports Division in 2022, as described in point 1.1.4.

Contracts that are undertaken through temporary consortia (UTEs) or similar entities that meet IFRS 11 requirements to be classified as "joint operations" are proportionately consolidated.

It is considered that, in such joint operations, the shareholders have direct control over the assets, liabilities, income and expenses of these entities, together with joint and several liability. Operations of this nature contributed to the consolidated Group assets, profit/(loss) and revenue totaling EUR 428 million, EUR 40 million and EUR 1,242 million, respectively (EUR 65 million, EUR -27 million and EUR 1,127 million in 2021). The following companies stand out as being involved in construction projects are:

PROJECT	ACTIVITY	% SHAREL	REVENUE (€M)
HS2 Main works	Works on 80 km of the HS2 between Chilterns and Warwickshire, including 15 viaducts, 5 km of green tunnels, 22 km of road diversions, 67	15.00 %	235
Sydney Metro West	Metro design and construction on an 11-kilometre stretch of twin railway tunnels between Sydney Olympic Park and The Bays, Australia	50.00 %	159
Northern Line / Thames Tideway Tunnel	Design and construction of the Thames Tideway tunnel and extension of the London Underground Northern Line	50.00 %	123
Riverlinx	Design, construction, financing, operation and maintenance of the Silvertown Tunnel in East London.	40.00 %	91
HS2 Enabling Works	Preliminary ground and enabling works for the HS2 high-speed line in the UK	37.34 %	35
Ontario Transit Group Constructor GP	Design, build and finance Ontario Line Subway: Construction of a 6.7 km, seven-station rapid transit system.	50%	8
Metro Paris Ligne 3ª JV	Construction o 3A Line 18 of the Grand Paris Metro	50%	1
TOTAL			652

Finally, the companies over which Ferrovial, S.A. exercises significant influence and which do not meet the requirements of IFRS 11 to be classified as "joint operations" are also equity accounted.

A breakdown of the equity-accounted companies can be found in Note 3.5 and in Appendix II.

Intragroup balances and transactions are eliminated on consolidation. However, the transactions recognized in the income statement in relation to construction works undertaken by the Construction Division for infrastructure project concession operators are not eliminated on consolidation, since it is considered that the Group performs work for the concession awarding entity or regulator in exchange for the right to operate the infrastructure under the terms pre-established by the granting entity or regulator.

The awarding entity or regulator thus controls the asset from inception and grants the above-mentioned right in exchange for the work performed and, therefore, the conclusion may be reached that, at the Group level, the work is performed for third parties. This approach is in line with IFRIC 12.

The non-elimination of these transactions had an impact of EUR -61 million on the income statement, after taxes and non-controlling interests (EUR 6 million in 2021).

Appendix II contains a list of subsidiaries and associates.

Finally, as regards transactions for the purchase or sale of an ownership interest that does not entail a change of control in the company in question, the non-controlling interest is measured at the proportional value of the net identifiable assets of the company acquired or sold. Changes in the parent's ownership interest in a subsidiary that do not give rise to a loss of control are equity transactions.

1.3.3. Accounting policies applied to each item in the consolidated statement of financial position and consolidated income statement

Set forth below is a breakdown reflecting only the accounting policies applied by the consolidated Group when preparing these consolidated annual accounts that include an option permitted by IFRS or, as the case may be, on the basis of the specific nature of the industry in which it operates or of materiality.

1.3.3.1. Property, plant and equipment, investment property and intangible assets

- Following initial recognition, "Intangible assets", "Investment property" and "Property, plant and equipment" are measured at cost less accumulated depreciation and any impairment losses.
- The straight-line method is used to calculate the depreciation/amortization charge for "Intangible assets", "Investment property" and "Property, plant and equipment", except for certain machinery in the construction business that is depreciated using the declining-balance method.

The consolidated companies depreciate "Property, plant and equipment" over the following useful lives:

	YEARS OF USEFUL LIFE
Buildings and other structures	10-50
Machinery, installations and tooling	2-25
Furniture and fittings	2-15
Vehicles	3-20
Other fixed assets	2-20

1.3.3.2. Investments in infrastructure projects

This heading includes infrastructure investments made by the project companies within the scope of IFRIC 12, where remuneration consists of an unconditional right to receive cash or other assets, or a right to charge fees for the use of the public service.

The assets acquired by the concession operator to provide the concession services, but which do not form part of the infrastructure (such as vehicles, furniture or computer hardware) are not included under this heading because they do not revert to the concession awarding entity.

Assets of this nature are carried under "Property, plant and equipment" and are depreciated over their useful life using a method that reflects economic use.

IFRIC 12 Intangible asset model assets

All initial investments relating to the infrastructure that subsequently reverts to the awarding entity, including compulsory purchase costs and borrowing costs capitalized during construction, are amortized on the basis of the applicable pattern of consumption in each case (generally traffic forecasts in the case of toll roads) over the term of the concession.

The investments contractually agreed at concession inception on a final and irrevocable basis that will be made at a later date during the concession term, including non-contingent payments to be made to the granting authority without consideration, provided they are not investments made to upgrade the infrastructure, are treated as initial investments. For investments of this kind, an asset and an initial provision are recognized for the present value of the future investment, applying a discount rate equal to the borrowing costs associated with the project to calculate present value. The asset is amortized based on the pattern of consumption over the entire term of the concession and the provision is updated to reflect interest expense until the investment is made.

Where a payment is made to the awarding entity to obtain the right to operate the concession, this amount is also amortized based on the pattern of consumption over the concession term.

A provision is recognized systematically for replacement investments over the period in which the related obligations accrue and must be fully funded by the time the replacement becomes operational. The provision is recognized based on the pattern of consumption over the period in which the obligation accrues using a financial method.

Infrastructure upgrade investments are those that increase the infrastructure's capacity to generate revenue or reduce its costs. In the case of investments that will be recovered over the concession term, since the upgrade investments increase the capacity of the infrastructure, they are treated as an extension of the right granted and, therefore, they are recognized in the balance sheet when they come into service. They are amortized as from the date on which they come into service based on the difference in the pattern of consumption arising from the increase in capacity.

However, if, on the basis of the concession terms and conditions, these investments will not be offset by a potential increase in revenue as from the date on which they are made, a provision is recognized for the best estimate of the present value of the outflow required to settle the associated obligations that will not be offset by a potential increase in revenue as from the date on which the investments are made. The balancing entry is an increase in the asset's acquisition cost.

In the case of the proportional part of the upgrade or increase in capacity that is expected to be recovered through an increase in future revenue, the general accounting treatment used for investments that will be recovered over the concession term will be applied. The main assumptions employed in relation to these arrangements relate to traffic and replacement investment estimates, which are updated each year by the technical departments.

Set out below is a breakdown of the main concession agreements in force to which the intangible asset model is applied for both toll roads and airports, highlighting the new acquisitions aforementioned of Dalaman International Airport and the New Terminal One of JFK NTO (see note 1.1.4) showing the term, status and consolidation method:

Intangible asset model concessions

CONCESSION OPERATOR	COUNTRY	STATUS	START YEAR (*)	END YEAR	CONSOLIDATION METHOD
NTE Mobility Partners, LLC	USA	Operation	2014	2061	Full consolidation
NTE Mobility Partners Seg 3 LLC	USA	Operation	2018	2061	Full consolidation
LBJ Infr. Group LLC	USA	Operation	2014	2061	Full consolidation
I-66 Mobility Partners LLC	USA	Operation	2016	2066	Full consolidation
I-77 Mobility Partners LLC	USA	Operation	2019	2069	Full consolidation
Euroscut Azores	Portugal	Operation	2011	2036	Full consolidation
Eurolink Motorway Operations (M4-M6)	Ireland	Operation	2005	2033	Equity consolidation
Autopista Terrassa Manresa, S.A.	Spain	Operation	1989	2036	Full consolidation
Autovía de Aragón, S.A. (**)	Spain	Operation	2007	2026	Full consolidation
Dalaman International Airport	Turkey	Operation	2022	2042	Fully consolidation
JFK NTO LLC	USA	Construction	2022	2060	Equity method

(*) First year of the concession (if in service) or year construction began (if it is in the construction phase).

(**) In 2021, the maintenance and operation contract for the A2 Highway section was classified as a continuing operation.

IFRIC 12i Financial asset model assets

This heading reflects service concession arrangements related to infrastructures in which the consideration consists of an unconditional contractual right to receive cash or another financial asset, either because the awarding entity guarantees payment of specific amounts or because it guarantees recovery of the shortfall between amounts received from public service users and the specified amounts. Therefore, these are concession agreements in which demand risk is borne in full by the awarding entity. In such cases, the amount due from the awarding entity is accounted for as a loan or receivable on the assets side of the balance sheet.

To calculate the amount owed by the awarding entity, the value of the construction, operation and/or maintenance services provided and the financial return implicit in arrangements of this nature are taken into consideration.

Revenue from the services (basically construction and maintenance) provided in each period increases the amount of the receivable with a balancing entry in revenue. The financial return on the services provided also increases the amount of the receivables with a balancing entry in revenue. Amounts received from the awarding entity reduce the total receivable with a balancing entry in cash.

This financial return from such concessions is recognized as revenue, since it forms part of the concession activity and accrues on a regular, periodic basis.

At 31 December 2022 and 2021, financial returns recognized as revenue amounted to EUR 10 million and EUR 15 million, respectively.

Also, the borrowing costs associated with the financing of concessions to which the financial asset model is applied amounted to EUR 9 million in 2022 and EUR 12 million in 2021.

The main concession contracts that apply the account receivable model correspond to the Construction and Waste Treatment businesses (Thalia):

CONCESSION OPERATOR	COUNTRY	STATUS	START YEAR (*)	END YEAR	CONSOLIDATION METHOD
Concesionaria de Prisiones Lledoners	Spain	Operation	2008	2038	Full consolidation
Depusa Aragón, S.A.	Spain	Operation	2017	2037	Full consolidation
Wroclaw Budimex Car Park	Poland	Operation	2012	2042	Full consolidation
UK Waste Treatment (Thalia)	UK	Operation	2008	2036	Full consolidation

(*) First year of the concession (if in service) or year construction began (if it is in the construction phase).

In addition, within the companies accounted for by the equity method, the following toll road concession contracts also apply the account receivable model:

CONCESSION OPERATOR	COUNTRY	STATUS	START YEAR (*)	END YEAR	CONSOLIDATION METHOD
Eurolink M3	Ireland	Operation	2010	2052	Equity consolidation
A66 Benavente - Zamora	Spain	Operation	2015	2042	Equity consolidation
407 East Extension	Canada	Operation	2016	2045	Equity consolidation
Scot Roads Partnership Project Limited	UK	Operation	2017	2047	Equity consolidation
Nexus Infr. Unit Trust (Toowoomba)	Australia	Operation	2019	2043	Equity consolidation
Blackbird Infr. Group (407 East Phase 2)	Canada	Operation	2019	2047	Equity consolidation
Ruta del Cacao S.A.S	Colombia	Construction	2015	2040	Equity consolidation
Zero Bypass Ltd.	Slovakia	Operation	2016	2050	Equity consolidation
Netflow OSARs Western	Australia	Construction	2017	2040	Equity consolidation
Riverlinx, Ltd.	UK	Construction	2019	2050	Equity consolidation

(*) First year of the concession (if in service) or year construction began (if it is in the construction phase).

1.3.3.3. Other balance sheet and income statement items

Cash and cash equivalents of infrastructure project companies: Restricted cash (Note 5.2.1).

This heading includes investments of the same type and maturity that are assigned to the financing of infrastructure projects, the availability of which is restricted under the financing facilities to secure certain obligations relating to the payment of interest or principal on the borrowings and to infrastructure maintenance and operation.

Fair value measurement

When measuring derivatives, the credit risk of the parties to the agreement is taken into account. The impact of credit risk will be taken to the income statement unless the derivatives qualify as effective cash flow hedges, in which case the effect will be recognized in reserves.

The Group uses appropriate measurement methods based on the circumstances and on the volume of inputs available for each item, attempting to maximize the use of relevant observable inputs and avoiding the use of unobservable inputs. When measuring fair value, the Group applies a hierarchy that places measurement inputs on the following three levels:

- Level 1: Quoted prices for identical assets or liabilities.

- Level 2: Inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.
- Level 3: Unobservable market inputs for the asset or liability.

As explained in Note 5.5 Financial derivatives, all the Group's financial derivatives are on Level 2.

Financial instruments

Impairment of financial assets

IFRS 9 is based on an expected loss model whereby the loss provision is calculated based on the coming 12-month or lifetime expected losses for the financial instruments, depending on the significance of the related increase in risk.

This model applies to all financial assets, including trade receivables and contract assets under IFRS 15, and non-trade assets and receivables under IFRIC 12. The Group has developed a calculation method whereby certain percentages are applied to financial asset balances that reflect expected credit losses based on the credit profile of the counterparty (the customer, in the case of trade and other receivables and the awarding entity for financial assets under IFRIC 12).

These percentages reflect the probability of default on payment obligations and the percentage loss which, in the event of non-payment, would ultimately not be recoverable.

The assignment of rating and trends in those percentages are overseen by the Financial Risk Department, which updates the percentages at each year-end based on credit risks. If a significant increase in risk above the level initially recognized is identified during the analysis, the expected loss is calculated taking into account the asset's lifetime probability of default.

The Group applies the simplified approach to trade and other receivables. In order to calculate expected loss, an average rating is obtained for customers by business and by geographic area and is used to generate the percentages to be applied to the balances, depending on whether the customer is a public or private entity and on its business sector (only in the case of private sector customers).

If the customer is declared insolvent, a claim is filed against it or it defaults on payment, a breach is deemed to have occurred and the entire trade receivable is provisioned. The Group has defined payment periods per customer type that trigger a breach and thus the posting of a provision.

In the case of receivables under the IFRIC 12 approach (Note 3.3.2), the expected loss provision is calculated individually for each asset based on the awarding entity's credit quality. If the credit risk has not increased significantly, the calculation is made based on the credit losses expected over the next 12 months. The risk is deemed not to have increased significantly if the awarding entity has an above-investment-grade rating and has maintained this level since initial recognition.

Classification and measurement of financial assets.

Under IFRS 9, the classification and measurement method are based on two aspects: the characteristics of the contractual cash flows from the financial asset and the entity's business approach to managing financial assets.

This entails three potential measurement methods: amortized cost, fair value through other comprehensive income (equity) and fair value through profit or loss. The Group's financial assets are mainly assets held to maturity, the cash flows of which only comprise payments of principal and interest, so financial assets are carried at amortized cost. It should be noted that there is an option to report fair value changes in other comprehensive income from the outset in the case of equity instruments measured by default at fair value through profit or loss. This decision is irrevocable and must be made for each individual asset.

Hedge accounting. IFRS 9 attempts to align hedge accounting more closely with risk management, and the new requirements establish a principle-based approach.

Other equity instruments

These are perpetual bonds with payment at the discretion of the party that issues the coupon in question. They do not meet the conditions to be considered as a financial liability for accounting purposes, because they do not include any contractual obligation to make payment in the form of cash or any other financial asset, nor do they include any obligation to exchange financial assets or liabilities. They are therefore entered as part of the company's equity, in other equity instruments.

Non-refundable grants related to assets

Non-repayable capital grants are measured at the amount granted under "Deferred income" (Note 6.1) in the consolidated statement of financial position and are progressively released to the income statement in proportion to the depreciation charged during the year on the assets financed by the grants, on the line as the depreciation charges. From a cash flow standpoint, the investments made are presented net of grants received during the year.

Trade payables

The heading "Trade payables" includes balances payable to suppliers under reverse factoring arrangements with banks.

These balances are classified as trade payables and the related payments as cash flows from operating activities, since the payments are made to the banks on the same terms agreed with the suppliers. The company required to make payment to the supplier does not arrange an extension with the banks beyond the due dates agreed with the suppliers and there are no special guarantees securing the payments to be made.

1.3.3.4 Revenue recognition

Ferrovial has a common revenue recognition policy adapted to IFRS 15 "Revenue from contracts with customers" so as to ensure a consistent approach across all lines of business.

i) General revenue recognition approach

The first step in the revenue recognition process involves identifying the relevant contracts and the performance obligations that they contain.

In general, performance obligations in Construction activities carried out by Ferrovial are satisfied over time rather than at a point in time, since the customer simultaneously receives and consumes the benefits of the company's work as the service is provided.

As regards the approach to recognizing revenue over time (a way of measuring the progress of a performance obligation), Ferrovial has established certain criteria that are applied consistently to similar performance obligations.

In this regard, the Group has chosen the output method as its preferred approach when measuring goods and services the control of which is transferred to the customer over time. This approach is applied whenever percentage of completion can be measured during the performance of the contract.

In contracts for goods and services that are different but closely interrelated when making a combined product, which often occurs under construction contracts, the applicable output method consists of measuring the work carried out or surveying performance completed to date, in which the revenue recognized reflects the work units executed and the unit price. Under this method, the units completed under each contract are measured and the relevant output is recognized as revenue.

Costs of works or services are recognized on an accrual basis, expensing amounts actually incurred to execute units and forecast future costs that must be allocated to the units completed to date (Note 1.3.3.4.IV on provisions for deferred expenses).

For recurring and routine services (involving substantially the same services) such as maintenance, showing the same pattern over time and remuneration consisting of a recurring fixed amount over the contract term (e.g., monthly or annual payments), such that the customer benefits from the services as they are provided, the Group opted for the time elapsed output method to recognize revenue. Under this method, revenue is recognized on a straight-line basis over the term of the contract and costs are recognized on an accrual basis.

The costs-incurred input method may only be applied to contracts that are not for recurring and routine services and for which the unit price of the units to be executed cannot be determined. Under this method, the company recognizes revenue based on costs incurred as a percentage of the total costs forecast to complete the work, taking account of the expected profit margins for the whole project, based on the most recently updated budget.

This method entails measuring the costs incurred as a result of the work completed to date as a proportion of the total costs forecast and recognizing them as revenue in proportion to the total revenues expected.

As indicated above, this method only applies to complex, lump-sum construction or service contracts in which it is not possible to break down the price and the measurement of units to be completed.

Finally, as regards determining whether the company acts as a principal or agent in relation to its contractual performance obligations, Ferrovial is the principal in both construction and service contracts if it provides goods and services directly to the customer and transfers control of them without involving intermediaries.

In the case of concession agreements in which Ferrovial both builds and operates the infrastructure, the construction company is the principal if it is ultimately responsible for fulfilling the contractual obligation to execute the work in accordance with the concession agreement specifications and therefore assumes the consequences in the event of a claim or delay. Revenues and results of those construction services are therefore recognized by the Construction Division. Conversely, the concession company acts as an agent in connection with the construction performance obligation and does not therefore recognize revenues or results in this regard.

ii) Recognition of revenue from contract modifications, claims and disputes

Modifications are understood to mean changes to the scope of the work provided for in the original contract and that could result in a change to the revenues under the contract in question. Changes to the initial contract require the customer's technical and financial approval prior to progress billing and collection of amounts for the additional work.

The Group generally does not recognize any revenue from such additional work until it has been approved by the customer. When the work has been approved but has yet to be valued, the "variable consideration" requirement (as explained below) will apply. This entails recognizing revenue in an amount that is highly unlikely to be reversed.

Any costs associated with the units completed or services rendered will be recognized when they are incurred, regardless of whether or not the modification has been approved.

A claim is a request for payment or compensation to the customer (e.g., compensation events, reimbursement of costs, legally mandated inflation adjustment) subject to an application procedure directly to the customer. The general criterion followed by the Group is not to recognize revenue until the request has been approved by the customer. In the event that the work is approved but the valuation is pending, the requirement mentioned below for the case of "variable consideration" in accordance with IFRS 15 is applied, recording the amount for which it is highly probable that there will not be a significant reversal. This treatment is also applied in exceptional cases where no approval has been received from the customer, recording revenue provided there is a legal report justifying that the disputed rights are clearly enforceable, as well as a technical report supporting the technical basis of the request or claim in question and approval from the Division's CFO.

A dispute is the result of non-compliance, or the rejection of a claim submitted to the customer under the contract, the resolution of which is pending a direct procedure with the customer or a court or arbitration proceeding.

In line with the Group's approach, revenue related to a dispute in which the enforceability of the amount claimed is questioned is not recognized and any amount previously recognized is written off, since a dispute means that the customer has not approved the completed work.

In the event that the customer questions the value of the work completed, revenue will be recognized following the "variable consideration" approach explained below.

Only in cases in which a legal report confirms that the rights in dispute are clearly enforceable and, therefore, at least the costs directly associated with the disputed service will be recovered, may revenue be recognized up to the limit of the costs incurred.

iii) Determination of the transaction price

The transaction price must allocate a price to each performance obligation (or distinct good or service) in an amount that represents the consideration to which the entity expects to be entitled in exchange for the transfer of committed goods or services to the customer. To this end, the transaction price of each performance obligation identified in the contract is allocated as a separate selling price in relative terms.

The best evidence of a separate selling price is the observable price of a good or service when the company sells that good or service separately in similar circumstances and to similar customers.

Variable consideration

If the consideration committed in a contract includes a variable amount, it is recognized only to the extent that it is highly probable that there will be no significant reversal when the uncertainty associated with the variable consideration is resolved. For example, it is stipulated that a bonus may only be recognized once a high percentage-of-completion of the contract has been reached.

Financing component

In general, when more than one-year elapses between the date on which the good or service is delivered and the date on which the customer is expected to make payment, an implicit financing component is included when calculating the price of a performance obligation. This component is treated as financial income.

Where a performance obligation relates to a period of less than one year between the date on which the company transfers a good and the date on which the customer makes payment, the practical expedient permitted by the accounting standard is applied to avoid adjusting the amount of the consideration.

In cases in which there is a contractual or legal right to charge late-payment interest based on the contractually agreed terms, the late-payment interest is only recognized when it is highly probable that it will be effectively received.

iv) Balance sheet items related to revenue recognition

Completed work pending certification/work certified in advance

Unlike revenue recognition, amounts billed to the customer are based on the various milestones reached under the contract and on acknowledgement thereof by the customer by means of a contractual document referred to as a progress billing certificate. Therefore, the amounts recognized as revenue for a given year do not necessarily match those billed to or certified by the customer.

For contracts in which the revenue recognized exceeds the amount billed or certified, the difference is recognized in an asset account named "Completed work pending certification" (as a contract asset) under "Trade receivables for sales and services", while for contracts in which the revenue recognized is lower than the amount billed or certified, the difference is recognized in a liability account named "Work certified in advance" (as a contract liability) under "Short-term trade and other payables".

Bidding and mobilization costs

In addition to the balance sheet items described above, the Group also recognizes assets reflecting costs of obtaining contracts (bidding costs), costs incurred fulfil contracts or start-up costs (mobilization costs) directly related to the main contract, provided they are recoverable during the performance of the contract. These balances are included in a separate asset account in the balance sheet under "Inventories" (Note 4.1).

Bidding costs are only capitalized when they are directly related to a contract, it is probable that they will be recovered in the future and the contract has been awarded or the company has been selected as preferred bidder.

The costs incurred, regardless of whether or not the contract is won, are recognized as an expense, unless they are explicitly recoverable from the customer in any event (whether or not the contract is obtained). They are amortized systematically as the goods and services related to the asset are transferred to the customer.

Any costs that are necessary to start up a contract or mobilization costs are capitalized whenever it is probable that they will be recoverable in the future, excluding any expenses that would have been incurred if the contract had not been obtained. They expensed based on the proportion of actual output to estimated output under each contract. Otherwise, they are taken directly to the income statement.

v) Provisions for contracts with customers

The main provisions for customer contracts cover deferred expenses and budgeted losses.

- Provisions for deferred expenses. They cover expenses that are expected to be incurred at contract close-out, such as for the removal of construction machinery or decommissioning, as well as estimated repairs to be carried out during the warranty period. These provisions reflect an existing obligation stipulated in the contract on the basis of which the company is likely to allocate resources to satisfy the obligation, the amount of which can be reliably estimated. The provisions are based on the best possible estimates. They may be calculated as a percentage of the total revenues expected from the contract, if there is historical information for similar contracts.

Warranty obligations included in this type of provision are not treated as a separate performance obligation, unless the customer has the option of contracting the warranty separately, in which case it is recognized in accordance with IAS 37 on provisions.

- Provisions for budgeted losses. These provisions are recognized when it becomes apparent that the total costs expected to fulfil a contract exceed expected contract revenues. For the purpose of determining, where appropriate, the amount of the provision, budgeted contract revenue will include the forecast revenues that is considered probable, in line with IAS 37 (paragraph 14 (b)). As well as incremental costs and those directly related to the contract. General costs are not directly attributable to a contract and are therefore excluded from the calculation unless they are explicitly passed on to the counterparty in accordance with the contract, in line with paragraph 68 (a) of IAS 37.

  This differs from the IFRS 15 approach described above in Note 1.3.3.4 "Revenue recognition", according to which revenue is only recognized when considered highly probable.

  Should total profit expected from a contract be lower than the amount recognized applying the above-mentioned revenue recognition approach, the difference is reflected as a loss provision.

vi) Segment-specific revenue recognition approach

Construction business

A single performance obligation is generally identified in construction contracts due to the high degree of integration and customization of the various goods and services forming a combined output that is transferred to the customer over time.

As mentioned previously, the Group has chosen the survey of performance output method as its preferred approach, which is applied provided that progress can be measured, and a price has been allocated to each work unit.

The input method may only be applied to contracts for which the unit price for the units to be completed cannot be determined.

Toll Roads business

The contracts included in this business area are accounted for in accordance with IFRIC 12, whereby contract assets are classified into two types: intangible assets and receivables (a mixed approach might also be applied) (Note 1.3.3.2).

In the case of contracts classified as intangible assets, the customer is the infrastructure user and therefore each use of the infrastructure by users is deemed a performance obligation and the revenue is recognized at a point in time. In the case of contracts accounted for using the financial asset model, in which the public administration is the customer, revenue recognition depends on the various services provided (e.g. operation or maintenance), which are recognized as separate performance obligations to which market prices must be allocated.

Where a separate selling price is not directly observable, the best possible estimate is employed, applying the forecast business margin.

Finally, regardless of whether the concession follows the intangible asset, financial asset or mixed asset model, as indicated above, in cases where the construction of the infrastructure is subcontracted to an external company, the concessionaire recognizes the infrastructure acquired for the price paid to the construction company, without recording in the Income Statement revenue for such construction services.

Airport's business

Generally speaking, these are short-term services rendered to the customer (airlines or airport users), in which revenues will be recognized at a specific moment.

Energy transmission business

These contracts cover a number of services that are substantially the same and are transferred based on the same pattern. The monthly rate reflects the value of the services rendered. This type of contract includes a single performance obligation that is transferred over time for which revenues are recognized using the output method.

1.3.3.5 Non-current assets held for sale

Non-current assets are carried as held for sale if it is considered that their carrying amount will be recovered when sold, rather than via continued use.

This condition is only met when the sale is actively being worked on and is highly probable, and the asset is available for immediate sale in its current condition, and that the sale is likely to be completed in the space of one year from the classification date. The period may be extended if the delay is caused by circumstances beyond the company's control and there is sufficient evidence of the commitment to the sales plan.

The total for these assets is carried on one line at the lower of carrying amount and fair value less costs to sell. They are not depreciated as from the date of classification as held for sale. The profit/(loss) contributed by these assets to the Group's consolidated profit/(loss) is recognized by nature in the income statement.

An entity that is committed to a sale plan entailing the loss of control of a subsidiary will classify all that subsidiary's assets and liabilities as held for sale when the requirements indicated in the previous paragraph are met, irrespective of whether or not the entity retains a non-controlling interest in its former subsidiary following the sale.

1.3.3.6 Discontinued operations

Discontinued operations are those that have been sold or otherwise disposed, or have been classified as held for sale and represent a full segment for the consolidated Group, or form part of a single plan or relate to a subsidiary acquired solely for resale.

The profit/(loss) generated from discontinued operations, for both the current financial year and the comparative periods, is presented on a specific line in the income statement net of taxes, as the total of the follow amounts:

- Profit/(loss) from the discontinued operations after tax.
- Profit/(loss) after tax recognized at fair value less costs to sell, or at divestment value.

1.3.4. Accounting estimates and judgements

Estimates were made when preparing the 2022 consolidated annual accounts to measure certain assets, liabilities, income, expenses and commitments. These estimates basically relate to the following:

i. Judgement on the approach to consolidating the ownership interests acquired in the companies JFK NTO LLC and Dalaman International Airport (Note 1.1.4).

ii. Estimate made to calculate the fair value of the Dalaman Airport net assets.

iii. Revenue from contracts with customers (Note 1.3.3.4), particularly as regards:

- determining whether there are enforceable rights to recognize revenue.
- establishing whether the requirements are met to recognize revenue as variable consideration;
- recognizing revenue in relation to a modification, claim or dispute;
- establishing whether there are one or more performance obligations and the price to be allocated in each case;
- defining the method applicable to each performance obligation so as to recognize revenues on the basis of time, bearing in mind that, according to the accounting policy established by the company, the preferred method is the survey of performance completed output method or the time-elapsed output method, while the costs-incurred input method is applied in cases in which the services rendered do not represent recurring and routine services and it is not possible to determine the unit price of the units to be completed;
- in the case of contracts recognized based on a survey of performance completed to date, measuring the units completed and the price attributable in each case;
- in the case of contracts recognized using the costs-incurred input method, defining percentage-of-completion in cost terms and the contract's forecast profit margin;
- capitalization of bidding and mobilization costs;
- assessment of whether the entity is acting as a principal or an agent in relation with specific performance obligations;
- amounts related to the calculation of provisions for expected losses and deferred expenses.

iv. Going concern assessment (Note 1.2)

v. Possible legal and tax contingencies (Note 6.5 on contingent liabilities and Note 6.3 on provisions).

vi. Recognition of the guaranteed subordinated hybrid bond (Note 5.1.2. on equity instruments)

vii. Derivative measurements and associated forecast flows to determine the existence of accounting hedges (Note 5.5 on financial derivatives at fair value).

viii. Assessment of possible impairment losses on certain assets. (Note 3.1 on goodwill, note 3.6 on non-current financial assets and Note 3.5 on investments in associates).

ix. Business trend projections affecting decisions to recognize tax credits and related recoverability prospects (Note 2.8 on income tax expense and deferred taxes).

x. Estimates based on future toll road traffic when preparing toll road financial information under IFRIC-12 (Note 3.3 on investments in infrastructure projects and Note 6.3 on provisions).

xi. Measurement of share-based plans (Note 6.7 on share-based remuneration schemes).

xii. Term of lease agreements containing termination or extension options or whether the exercise of such options affecting the value of the right-of-use asset and the lease liability is reasonably certain (Note 1.2.1.a).

These estimates have been made using the best information available on 31 December 2022 on the matters analyzed. However, future events might lead to changes in the estimates, which would be made prospectively in accordance with IAS 8.

1.3.5. Disclosures

It should also be noted that information or disclosures that need not be included on the basis of qualitative significance have been omitted from these consolidated annual accounts due to being immaterial under the IFRS Conceptual Framework.

1.4. EXCHANGE RATE

As indicated previously, Ferrovial has business outside the eurozone through various subsidiaries. The exchange rates used to translate their financial statements for Group consolidation purposes are as follows:

For balance sheet items (exchange rates in December 2022 and at December 2021 for the comparative period):

Closing exchange rate	2022	2021	Change 22/21 (*)
Pound sterling	0.88534	0.84133	5.23 %
US dollar	1.07050	1.1370	-5.85 %
Canadian dollar	1.45055	1.4373	0.92 %
Australian dollar	1.57172	1.5647	0.45 %
Polish zloty	4.6852	4.5869	2.14 %
Chilean peso	908.1600	968.9800	-6.28 %
Indian rupee	88.1544	84.2136	4.68 %

(*) A negative change represents an appreciation of the reference currency against the euro and vice versa.

For items in the income statement and cash flow statement (cumulative average rates in December 2022 and at December 2021 for the comparative period):

Average exchange rate	2022	2021	Change 22/21 (*)
Pound sterling	0.85269	0.8590	-0.69 %
US dollar	1.05330	1.1796	-10.70 %
Canadian dollar	1.36984	1.4790	-7.38 %
Australian dollar	1.51685	1.5785	-3.91 %
Polish zloty	4.68474	4.5656	2.61 %
Chilean peso	917.53335	901.4610	1.78 %
Indian rupee	82.7262	87.2774	-5.21 %

(*) A negative change represents an appreciation of the reference currency against the euro and vice versa.

As may be observed in the above tables, during 2022 the main currencies in which Ferrovial operates have performed differently, as the Canadian dollar and the US dollar have appreciated against the Euro and the Pound Sterling and the Indian rupee have depreciated against the euro.

The impact recorded in equity attributable to the parent company for this reason is 43 million euros (see Note 5.1.1 Changes in Equity).

The exchange rate effect is also analyzed in the notes to the accounts, where relevant.

1.5. SEGMENT REPORTING

Appendix III contains the statements of financial position and the income statement per business segment for both 2022 and the comparative period.

It also includes a segment breakdown of the sections in which this information is relevant or required under accounting legislation.

SECTION 2: PROFIT/(LOSS) FOR THE YEAR

This section comprises the notes relating to the profit/(loss) for the year.

The net profit for the year totaled EUR 186 million thanks to operational improvements in the Toll Roads business following traffic growth, which is explained mainly by the lifting of the COVID-19 restrictions and the rate rise in the US, as well as by the Construction Division's results, particularly the contributions from the businesses in Spain and in Poland through the subsidiary Budimex, as described in more detail in the Management Report.

In addition, net profit/(loss) for the year was impacted by a profit of EUR 64 million from discontinued operations relating to the aforementioned divestments of the business operated in the UK through the subsidiary Amey (Note 1.1.3).

The impairment and disposals line reflects other non-recurring items amounting to EUR -6 million, relating essentially to the impairment of Ferrovial's ownership interest in the mobility services company MaaS Global and to the sale of the remaining 20% of the Vía do Infante (Algarve) toll road to DIF Capital Partners.

Profit/(loss) for the year was also influenced by two opposing effects of the Group's hedges: the negative impact of the inflation derivatives contracted by Autema (EUR -77 million), relating to the portion of the hedge that was discontinued in 2019 following the change of concession scheme, which was partially offset by the breakage of the pre-hedge arranged for the issuance of a new corporate bond that finally did not go ahead, entailing a positive effect of EUR 68 million on results.

In addition, the negative impact of investments held at fair value, mainly due to investments held by the group at fair value, mainly as a result of the negative the negative evolution of Lilium's share price (USD1 USD $1.14 vs. USD $6.93 in 2021), and of the investment in 6.93 in 2021), and the investment in innovation funds. innovation funds.

Finally, of particular note is the recognition of EUR 26 million in deferred tax liabilities, in addition to the EUR 41 million recognized in December 2021, in relation to withholding tax on the repatriation of future dividends from Canada (Note 2.8.3).

Setting aside all these impacts, together with others relating to the measurement of ineffective derivatives and the regularization of prior-year taxes, the group's result would be EUR 151 million, as broken down in the accompanying table.

(Million euro)	Balances at 31/12/2022
Non-recurring impacts	**Net profit/(loss)**
Profit/(loss) for the year	**186**
Discontinued operations	-64
Derivatives and investments at fair value	20
Repatriation of funds from Canada	26
Other effects	-17
Profit/(loss) for the year after non-recurring effects	**151**

NOTES ON PROFIT/(LOSS) FROM CONTINUING OPERATIONS

2.1. OPERATING INCOME

Set out below is a breakdown of the Group's operating income at 31 December 2022:

(Million euro)	2022	2021 (*)
Revenue	7,551	6,910
Other operating income	2	1
Total operating income	**7,553**	**6,911**

(*) Restated figures (Note 1.1.5)

The Group's revenue at 31 December 2022 relating to contracts with customers, as interpreted by IFRS 15, amounted to EUR 7,385 million (Note 4.4).

Revenue includes financial income from the services provided by the concession operators that apply the financial asset model, amounting to EUR 10 million in 2022 (EUR 15 million in 2021).

Set out below is a breakdown of revenue by segment and prior-year comparative figures:

	2022			
(Million euro)	External sales	Inter-segment sales	Total	Var. %
Construction	5,432	1,031	6,463	6 %
Toll Roads	779	1	780	33 %
Airports	54	0	54	n.a.
Energy and mobility infrastructures	296	0	296	17 %
Other activities (*)	39	139	178	13 %
Adjustments	0	-220	-220	33 %
Total	**6,600**	**951**	**7,551**	**9 %**

(*) Corresponds to support services provided by the Corporation to the rest of the group's businesses, which are eliminated in the consolidation process.

	2021 (*)		
(Million euro)	External sales	Inter-segment sales	Total
Construction	5,044	1,033	6,077
Toll Roads	587	1	588
Airports	1	1	2
Energy and mobility infrastructures	252	0	252
Other activities (*)	3	154	157
Adjustments	0	-166	-166
Total	**5,887**	**1,023**	**6,910**

(*) Corresponds to support services provided by the Corporation to the rest of the group's businesses, which are eliminated in the consolidation process.

The inter-segment sales that are not eliminated in the Group's consolidated financial statements are the sales made by the Construction Division to the infrastructure concession operators (Notes 1.3.2 and 6.8).

The breakdown of sales by geographic segment is as follows:

(Million euro)	2022	2021 (*)	Var. 22/21
USA	2,906	2,639	267
Poland	1,842	1,735	107
Spain	1,154	1,092	62
UK	708	644	64
Canada	100	80	20
Other	841	721	120
TOTAL	**7,551**	**6,910**	**641**

(*) Restated figures (Note 1.1.5)

The Group's sales in its five main markets account for 89% of total sales.

2.2. OTHER OPERATING EXPENSES

The heading Other operating expenses mainly includes subcontracted work for the year:

(Million euro)	2022	2021 (*)	Var.
Subcontracted work	2,975	2,824	151
Leases	256	236	20
Repairs and maintenance	89	70	19
Independent professional services	449	331	118
Changes in provisions for liabilities (Note 6.3)	-68	51	-119
Other operating expenses	481	411	70
Total other operating expenses	**4,182**	**3,923**	**259**

(*) Restated figures (Note 1.1.5)

2.3. STAFF COSTS

Set out below is a breakdown of staff costs:

(Million euro)	2022	2021(*)	Var.
Wages and salaries	1,111	1,106	5
Social security contributions	158	142	16
Pension plan contributions	13	10	3
Share-based payments	8	-9	17
Other welfare expenses	156	44	112
TOTAL	**1,446**	**1,293**	**153**

(*) Restated figures (Note 1.1.5)

Compared to the previous year, the impact on the income statement in relation to the remuneration systems based on delivery of shares, which generated an expense of EUR -8 million (income of EUR 9 million in 2021) with a balancing entry in equity.

Compared to the previous year is due to the fact that the reversal of the provision made in the year to adjust the expense to the degree of compliance with these plans has been lower than previous year (higher degree of compliance).

The trend in the number of employees at 31 December 2022 compared to 2021 by professional category and gender is as follows:

CATEGORY	31/12/2022			
	MEN	WOMEN	TOTAL	VAR. 22/21
Executive directors	2	0	2	– %
Senior managers	12	1	13	– %
Executives	2,580	635	3,215	8 %
Managers/Professionals/Supervisors	4,117	2,044	6,161	4 %
Administrative/Support personnel	565	668	1,233	11 %
Manual workers	12,864	703	13,567	(2) %
Total	**20,140**	**4,051**	**24,191**	**1 %**

Discontinued operations included no workforce in 2022. Set out below are the data for 2021, distinguishing between continuing and discontinued operations:

	31/12/2021(*)		
CATEGORY	**MEN**	**WOMEN**	**TOTAL**
Executive directors	2	0	2
Senior managers	12	1	13
Executives	2,442	540	2,982
Managers/Professionals/Supervisors	3,995	1,930	5,925
Administrative/Support personnel	519	589	1,108
Manual workers	13,141	762	13,903
Total	**20,111**	**3,822**	**23,933**

(*) Restated figures (Note 1.1.5)

DISCONTINUED OPERATIONS	**31/12/2021 (*)**		
CATEGORY	**MEN**	**WOMEN**	**TOTAL**
Executive directors	0	0	0
Senior managers	0	0	0
Executives	1,450	437	1,887
Managers/Professionals/Supervisors	4,995	1,444	6,439
Administrative/Support personnel	110	497	607
Manual workers	13,717	16,488	30,205
Total	**20,272**	**18,866**	**39,138**

(*) Restated figures (Note 1.1.5)

At 31 December 2022, there were 107 employees with a disability rating of 33% or more, accounting for 0.4% of the total workforce.

The average workforce by business division for the two periods compared is as follows:

BUSINESS	**31/12/2022**			
	MEN	**WOMEN**	**TOTAL**	**VAR. 22/21**
Construction	15,316	3,135	18,451	(3) %
Toll Roads	373	169	542	– %
Airports	192	43	235	628 %
Energy and mobility infrastructures	3,541	415	3,956	1 %
Other	7,607	3,560	11,167	(55) %
Total discontinued operations	–	–	–	(100) %
Total	**27,029**	**7,322**	**34,351**	**43 %**

BUSINESS	**31/12/2021 (*)**		
	MEN	**WOMEN**	**TOTAL**
Construction	16,059	3,042	19,101
Toll Roads	385	159	544
Airports	22	10	32
Energy and mobility infrastructures	3,564	374	3,938
Other	229	186	415
Total continuing operations	20,259	3,771	24,030
Total discontinued operations	32,652	21,851	54,503
Total	**52,911**	**25,622**	**78,533**

(*) Restated figures (Note 1.1.5)

2.4. EBITDA AND EBIT BEFORE IMPAIRMENT AND DISPOSALS

EBITDA amounted to EUR 728 million at 31 December 2022 (EUR 610 million at 31 December 2021), representing an increase of 19% compared to the previous year, primarily due to the improvement in the Toll Roads Division.

Fixed asset depreciation charges for 2022 totaled EUR 299 million as compared with EUR 270 million in the previous year, an 10% change.

The Management Report provides a detailed analysis of these headings for each business.

2.5. IMPAIRMENT AND DISPOSALS

There follows a breakdown of the main gains and losses due to impairment and disposals:

Profit/(loss) recognized in 2022:

Impairment losses and disposals amounted to EUR -6 million in 2022, relating essentially to the following transactions:

- Capital loss of EUR -3 million on the divestment of Algarve (Note 1.1.4). In August 2022, Ferrovial received EUR 23 million due to the sale of 20% of the Vía do Infante (Algarve) toll road in Portugal to DIF Capital Partners arranged in 2020.
- Impairment loss of EUR -3 million on the financial investment in MasS Global (15%) in 2022.

	Impact on profit/(loss) before tax			**Impact on net profit/(loss)**
(Million euro)	**Before fair value adjustments**	**Fair value adjustments**	**Total 2022**	
Algarve sale	-3	0	-3	-3
Capital gains and disposals	**-3**	**0**	**-3**	**-3**
Impairment of the ownership interest in MaaS Global	-3	0	-3	-3
Impairment gains/(losses)	**-3**	**0**	**-3**	**-3**
TOTAL IMPAIRMENT AND DISPOSALS	**-6**	**0**	**-6**	**-6**

The main gains and losses due to impairment and disposals in 2021 essentially related to the following items:

	Impact on profit/(loss) before tax			**Impact on net profit/(loss)**
(Million euro)	**Before fair value adjustments**	**Fair value adjustments**	**Total 2021 (*)**	
Acquisition of 5.704% of I-66	16	1,101	1,117	1,117
Nalanda sale	17	0	17	17
Urbicsa sale	17	0	17	17
Nevasa sale	1	0	1	1
Figueras sale	-9	0	-9	-9
Capital gains and disposals	**41**	**1,101**	**1,141**	**1,141**
Fixed asset impairment losses FB Serwis	-3	0	-3	-3
Impairment gains/(losses)	**-3**	**0**	**-3**	**-3**
TOTAL IMPAIRMENT AND DISPOSALS	**38**	**1,101**	**1,139**	**1,139**

(*) Restated figures (Note 1.1.5)

2.6. NET FINANCIAL INCOME/(EXPENSE)

The following table provides an itemized breakdown of changes in net financial income/(expense) in 2022 and 2021. Net financial income/(expense) from the infrastructure project companies is presented separately from that of ex-infrastructure project companies (see the definition in Note 1.1.2) and in each case a distinction is made between net financial income/(expense) from financing (which includes borrowing costs on bank borrowings and bonds, and returns on financial investments and loans granted) and net financial income/(expense) from derivatives and other items (including the effect of the fair value measurement of ineffective hedges and other income and expenses not directly related to financing).

Million euro	2022	2021 (*)	Change (%)
Financial income from infrastructure project financing	8	0	N/A
Financial expense from infrastructure project financing	-251	-220	14%
Net financial income/(expense) from financing, infrastructure project companies	**-243**	**-220**	**10 %**
Net financial income/(expense) from derivatives and other fair value adjustments, infrastructure project companies (*)	-105	-84	25 %
Other net financial income/(expense), infrastructure project companies	-17	-3	467 %
Other net financial income/(expense), infrastructure project companies	**-122**	**-87**	**40 %**
Net financial income/(expense) from infrastructure projects	**-365**	**-307**	**19 %**
Financial income, other companies	104	24	333 %
Financial expense, other companies	-103	-51	102 %
Net financial income/(expense) from financing, other companies	**1**	**-27**	**-104 %**
Net financial income/(expense) from derivatives and other fair value adjustments, other companies (*)	47	1	4,600 %
Other net financial income/(expense), other companies	-3	-2	50 %
Other net financial income/(expense), other companies	**44**	**-1**	**-4,500 %**
Net financial income/(expense), other companies	**45**	**-28**	**-261 %**
Total Net financial income/(expense)	**-320**	**-335**	**-4 %**

(*) Included in the fair value column for net financial income/(expense) in the consolidated income statement for a total amount of EUR -52 million in 2022 and EUR -83 million in 2021.

(*) Restated figures (Note 1.1.5)

The following table provides a breakdown of financial expense from infrastructure project companies showing capitalized expenses relating to toll roads under construction:

Infrastructure project company expenses (million euro)	2022	2021
Accrued financial expenses	-347	-257
Expenses capitalized during the construction period	96	37
Financial expenses in P&L	**-251**	**-220**

(*) Restated figures (Note 1.1.5)

Net financial income/(expense) from infrastructure project financing amounted to EUR -243 million (EUR -220 million in 2021), relating primarily to the full consolidation of the I-66 concession, financial expense having increased once capitalization ceased on entering the operating phase in 2022, following the acquisition of control in December 2021 through the acquisition of a further 5.704%, as well as to the increase in the LBJ toll road borrowings due to the refinancing deal closed at the end of the previous year and the foreign exchange effect of the US dollar's appreciation.

The main effect recognized under net financial income/(expense) from derivatives and other fair value adjustments to infrastructure projects relates to the speculative portion of the index-linked swap (ILS) associated with the Autema project carried at a fair value of EUR -101 million (EUR -77 million in net financial income/(expense), due to the negative inflation trend.

Net financial income/(expense) from ex-infrastructure project company financing totaled EUR 1 million this year (EUR -27 million in 2021) thanks to the increase in returns on cash resources in Poland and Chile and the reduction in financial expense associated with the decrease in corporate bonds issued. These positive effects are partly offset by the increased expenditure associated with the new credit lines and the larger volume of Euro Commercial Papers (ECP) issued (Note 5.2), as well as by the redefinition of the cash hedging strategy in Canada where cash flows are hedged in euros, as there are no expected liabilities in Canadian dollars. In previous years, the interest rate differential on CAD/EUR hedges (forward points) was accounted as a change in reserves, whereas in 2022 they have been reflected through financial income/expense in the income statement. If the previous accounting had been maintained, the company would have booked EUR 50.4 million of lower financial expenses, so that the financial result from financing in 2022 would have been EUR 51 million (-EUR 27 million from the previous year).

Financial income/(expense) from derivatives and fair value adjustments in other companies amounted to EUR 47 million (EUR 1 million in 2021). The change in relation to the previous year is primarily due to the breakage of the pre-hedge contracted for the issue of a new corporate bond that was not finally issued, and which had a positive impact of EUR 68 million on the income statement, partly offset by the fall in Lilium's share price (USD 1.14 v. USD 6.93 in 2021) and the decline in value of innovation funds investment which are measured at fair value. Also of note is the effect of derivatives not designated as hedges, particularly the equity swaps arranged by the Group to hedge the negative impact on equity of share-based variable remuneration schemes (Note 6.7), which amounted to EUR 9 million due to the share price decrease in 2022.

Net financial income/(expense) from ex-infrastructure project companies is shown below, excluding the effect of derivatives:

Other net financial income/(expense) from ex-infrastructure project companies

(Million euro)	2022	2021 (*)	Var. 22/21
Cost of bank guarantees	-31	-29	-2
Financial provision for IFRS 9	-3	-1	-2
Late-payment interest	10	6	4
Foreign exchange differences	-7	12	-19
Interest on loans to equity-accounted companies	23	16	7
Finance costs on pension plans	0	0	0
Interest on tax assessments	-4	-6	2
Security deposit income, associates	2	12	-10
Other	7	-12	19
TOTAL	**-3**	**-2**	**-1**

(*) Restated figures (Note 1.1.5)

The main change on the previous year is due to foreign exchange differences (EUR -19 million) and to increased costs of bank guarantees and security deposits. The profit from bank and contingent capital guarantees securing the JFK NTO project is also worthy of note.

Cash flow effect: As may be observed in the following table, the difference between net financial income/(expense) from financing and the interest flows reported in the cash flow statement is EUR -57 million.

	NET FINANCIAL INCOME/(EXPENSE) FROM FINANCING NOT CAPITALISED	INTEREST CASH FLOWS	DIFFERENCE
Infrastructure project companies	-339	-285	-56
Ex-infrastructure project	1	2	-1
TOTAL	**-338**	**-282**	**-57**

This difference at the project company level arose mainly from the US toll roads, both from I-66, whose interest payments are capitalized until the toll road is operational, and NTE Segment 3, NTE 35W, I-66 and I-77, which have financing facilities allowing the capitalization of interest in the first years of the concession, so that the interest is added to the principal and does not entail a cash outflow during the year, as well as accrued unmatured interest.

The ex-project interest cash flow (EUR 3 million) corresponds to net interest payments of EUR 44 million and interest collection of EUR 47 million.

2.7. SHARE OF PROFITS OF EQUITY-ACCOUNTED COMPANIES

The share of profits of equity-accounted companies in 2022 amounted to EUR 164,9 million (EUR -178 million in 2021). Set out below is a breakdown of the most significant companies:

Profit/(loss) of equity-accounted companies

(Million euro)	2022	2021
HAH	0	-238
407 ETR	124	52
AGS	0	-20
JFK	1	0
IRB	22	0
Other	18	28
TOTAL	**165**	**-178**

The result of EUR 0 million contributed by HAH to Ferrovial does not reflect 25% of the loss reported by HAH due to the application of IAS 28, which states that if the share of an associate's losses equals or exceeds the ownership interest in the associate, the investor will not recognize its share of further losses, unless there are legal or constructive obligations justifying the recognition of a liability for additional losses once the investment value is reduced to zero. The same applies to the result contributed by AGS (EUR 0 million).

The 407 ETR toll road improved in relation to December 2021 (EUR +71 million) due to the positive effect on traffic of the gradual lifting of COVID-19 mobility restrictions during the year, which was partially mitigated by the spread of the Omicron variant at the start of the year and the delay in the return to office work in the concession's areas of influence.

The Indian company IRB Infrastructure Developers Limited, which is 24.86%-owned by Ferrovial, contributed a profit of EUR 22 million for the twelve months of the fiscal year.

JFK NTO contributed virtually no results during the year since, as indicated in Note 1.1.4, the costs incurred by the company during the new terminal construction phase are capitalized and carried as intangible assets to be subsequently amortized during the operating phase.

EUR 18 million on the "Other" line relates mainly to the results of infrastructure conservation and maintenance business in Spain, which has been sold during the fiscal year 2022 (EUR 6 million) and it is operating under the commercial brand of Serveo, of which Ferrovial has retained the 24,99% (Note 1.1.3), the results of the Madrid Calle 30 maintenance contract (EUR 6 million) and the cleaning and maintenance services at Doha Airport in Qatar (EUR 6 million).

Note 3.5 provides further details of these companies' profits/(losses).

2.8. CORPORATE INCOME TAX EXPENSE AND DEFERRED TAXES

2.8.1. Explanation of corporate income tax expense for the year and the applicable tax rate

In 2022, corporate income tax income was recognized in the amount of EUR -30 million (income of EUR 9 million in 2021) as shown in the following table:

DECEMBER 2022 (Million euro)	SPAIN	UK	USA	POLAND	CANADA	OTHER COUNTRIES	TOTAL
Profit/(loss) before tax	**-96**	**-37**	**82**	**138**	**171**	**10**	**268**
Profit/(loss) from equity-accounted companies	-15	7	-1	0	-127	-29	-165
Other adjustments	117	1	-74	24	1	-18	51
Taxable income/(expense)	**6**	**-29**	**7**	**162**	**45**	**-37**	**154**
Tax expense for the year	**-5**	**6**	**-2**	**-21**	**-11**	**3**	**-30**
Change to the prior-year tax evaluation and other adjustments	5	-1	2	-8	-1	8	5
Adjusted tax expense	**0**	**5**	**0**	**-29**	**-12**	**11**	**-25**
Effective rate applicable to taxable income/(expense)	0 %	19%	0%	18 %	27%	31 %	16 %
Effective national tax rate (*)	25%	19%	23%	19%	26.5 %		

(*) The effective national tax rate is the result of combining the various tax rates and taxes (federal, state and municipal) applicable in each country.

Two effects must be considered to explain the reasonableness of this tax income:

- Results that have no tax impact. Setting aside these effects, the tax base for the year would amount to EUR 154 million. (EUR -84 million in 2021)
- Corporate income tax expense or income unrelated to profit/(loss) for the year. Setting aside these impacts, the adjusted tax expense for the year would amount to EUR -25 million. (EUR 26 million in 2021)

Taxable income/(expense)

After deducting, from the pre-tax profit (EUR 268 million), results of equity-accounting companies (net gain of EUR 164 million), and the remainder of permanent differences (EUR 51 million), taxable income would amount to EUR 154 million.

The aforementioned permanent differences are primarily expense or income for the year that is not deductible (expense) or taxable (income) under tax legislation applicable in each country and is not expected to be deductible or taxable in future years. The cumulative balance in this connection is EUR 51 million, with the main adjustments detailed below:

- Losses primarily generated in international construction projects for which no tax credit has been recognized in accordance with the prudence principle of accounting (EUR 75 million).
- Losses primarily generated on tax consolidation in Spain for which no tax credit has been recognized in accordance with the prudence principle of accounting (EUR 99 million).
- Non-taxable income due to the use of tax-loss carryforwards amounting to EUR -42 million mainly in Oman and Poland.
- 95%-exempt dividends, mainly comprising the dividend received by Ferrovial, S.A. from its subsidiary Ferrovial International. (EUR 50 million). The Group total amounts to EUR 61 million.
- Derivatives associated with taxable dividends received from Canada in the Netherlands, but which are eliminated on consolidation and entail a permanent difference of EUR -43 million.
- Profit/(loss) on consolidation with no tax impact. It relates to profit/(loss) arising from the application of consolidation rules, with no tax effects. The accumulated balance for this concept is EUR -71 million that primarily relates to losses in concession project companies in the US and Canada, and which are fully consolidated. However, the associated tax credit is recognized based solely on Ferrovial's ownership interest, as these companies are taxed under pass-through tax rules, whereby the shareholders are the taxpayers.

This tax base of EUR 154 million would be comparable to adjusted income tax income for the year of EUR -25 million, resulting in an effective income tax rate of 16%, which is in line with the rate applicable in the main countries in which Ferrovial has operations, as seen in the table below.

Adjusted tax expense

- An expense of EUR 5 million is excluded (expense of EUR 17 million in 2021) in respect of items that bear no relation to profit/(loss) for the year, including regularizations of prior-year taxes (deferred tax assets and liabilities), tax litigation provisions and foreign withholding tax.

  Included in this EUR 5 million is the recognition of EUR 26 million as a deferred tax liability, relating to the withholding tax on the repatriation of future dividends from Canada which are partially offset by the effect of tax adjustments from previous years.

Setting aside these effects, corporate income tax expense adjusted for results for the year would amount to EUR -25 million.

The following table includes the detail of the calculation of the effective tax rate for 2021:

DECEMBER 2021 (Million euro)	SPAIN	UK	USA	POLAND	CANADA	OTHER COUNTRIES	TOTAL
Profit/(loss) before tax	**-86**	**-263**	**1,144**	**123**	**62**	**-17**	**964**
Profit/(loss) from equity-accounted companies	-8	253	0	0	-54	-14	178
Purchase of 5.704% of I-66 Express Mobility Partners LLC			-1,117				-1,117
Other adjustments	-39	-17	-42	-20	1	6	-109
Taxable income/(expense)	**-132**	**-26**	**-15**	**104**	**10**	**-25**	**-84**
Tax expense for the year	**57**	**6**	**10**	**-19**	**-3**	**-41**	**9**
Change to the prior-year tax evaluation and	-23	-1	-6	0	0	47	17
Adjusted tax expense	**34**	**5**	**4**	**-20**	**-3**	**6**	**26**
Effective rate applicable to taxable income/(expense)	25%	20 %	25%	19%	26 %	24%	31%
Effective national tax rate (*)	25%	19 %	23%	19%	27 %		

(*) The national effective tax rate is the result of combining the tax rates and taxes (federal, state and municipal) applicable in each country.

2.8.2 Breakdown of current and deferred tax expense and tax paid for the year

The breakdown of the income tax expense for 2022 and 2021, differentiating between current tax, deferred tax, withholdings in a foreign operation and changes in prior years' tax estimates, is as follows.

(Million euro)	2022	2021
Tax expense for the year	**-30**	**9**
Current tax expense	-64	-31
Deferred tax expense	42	50
Withholdings in a foreign operation	-21	-3
Change to the prior-year tax evaluation and other	13	-7

Corporate income tax paid for the year amounted to EUR 82 million (EUR 155 million in 2021), as shown in the note on cash flows (Note 5.3).

2.8.3. Movements in deferred tax assets and liabilities

Set out below is a breakdown of movements in deferred tax assets and liabilities in 2022:

ASSETS

(Million euro)	2021(*)	Prior years, transfers and other	Charged/credited to income statement	Charged/credited to equity	Foreign exchange effect	2022
Tax credits	192	21	145	2	10	370
Differences between tax and accounting	304	-2	-26	0	-3	274
Equity measurement adjustments	90	12	18	-34	0	86
Other items	-16	34	8	27	2	55
TOTAL	**570**	**66**	**145**	**-5**	**9**	**784**

LIABILITIES

(Million euro)	2021 (*)	Prior years, transfers and other	Charged/credited to income statement	Charged/credited to equity	Foreign exchange effect	2022
Deferred taxes on goodwill	20	0	1	0	0	21
Deferred fair value adjustment to	255	44	0	0	16	315
Differences between tax and	277	-10	99	2	10	378
Equity measurement adjustments	45	0	2	18	-1	64
Other items	90	55	1	0	-1	145
TOTAL	**687**	**89**	**103**	**20**	**25**	**924**

(*) Data restated (see Note 1.1.5)

Deferred taxes recognized on 31 December 2022 arose essentially from:

Deferred tax assets

a) Tax credits

This item relates to tax credits that have not yet been used by the Group companies.

It does not include all the tax credits available, only those that the Group expects to be able to use in the short or medium term, based on the projections made. The total balance recognized amounts to EUR 370 million, of which EUR 368 million relates to tax credits for tax-loss carryforwards and EUR 2 million to other tax credits.

Set out below is a breakdown of tax-loss carryforwards pending offset, distinguishing between continuing and discontinued operations, and showing the maximum tax credit and the tax credit recognized:

Continuing operations

(Million euro) Country	Tax-loss carryforwards	Limitation period	Maximum tax credit	Tax credit recognized
Spanish tax consolidated group	642	No expiry date	160	0
US tax consolidated group	1,564	No expiry date	328	274
Turkey	105	2023-2028	21	0
Canada	137	2023-2042	36	11
UK	193	No expiry date	48	17
Other	461	2023-No expiry date	119	66
Total	**3,102**		**712**	**368**

Spanish and US taxes consolidated groups:

For the purpose of assessing the recoverability of tax-loss carryforwards, a model was designed based on the Group companies' latest available earnings projections, the decision having been taken, from a prudent viewpoint, not to recognize all the tax credits in the accounts, given the reasonable doubts regarding recovery in the short and medium term.

In USA it has been decided to recognize and provision the difference between deferred assets and liabilities. However, in 2022, in accordance with IAS 12, an amount of tax credits was recognized equal to the excess liability temporary differences over asset temporary differences, amounting to EUR 17 million (EUR 17 million in 2021).

UK:

Considering that tax-loss carryforwards generated after 1 April 2017 may be used by any UK Group company, tax credits were recognized for tax losses in the amount of EUR 17 million in respect of continuing operations. (EUR 16 million in 2021).

b) Assets arising from temporary differences between accounting and tax criteria

This item reflects the tax effects arising from the different timing of the recognition of certain expenses and income for accounting and tax purposes.

The recognition of an asset means that certain expenses have been recognized for accounting purposes before they may be recognized for tax purposes and therefore the company will recover the income or expense for tax purposes in future years.

The main deferred tax assets are set out below:

- Provisions recognized in the accounts that do not have tax effects until they are applied (EUR 145 million) (EUR 182 million in 2021).
- Deferred tax assets of EUR 125 million due to differences between the tax and accounting approach to revenue recognition, mainly in the Construction Division. (EUR 134 million in 2021).
- Accelerated book depreciation/amortization (EUR 4 million). (EUR 4 million in 2021).

c) Deferred taxes arising from equity measurement adjustments.

This reflects the cumulative tax effect of measurement adjustments to various items recognized in reserves. The effect is reflected as an asset or liability since there is generally no direct tax effect until the amount in reserves is taken to the income statement.

The deferred asset balance relates to losses accumulated in reserves that will have a tax effect when they are taken to the income statement. They relate mostly to deferred tax assets arising from financial derivatives, which amount to EUR 86 million. (EUR 90 million in 2021).

Deferred tax liabilities

a) Deferred taxes relating to goodwill

These relate to deferred tax liabilities relating to the tax credit for goodwill amounting to EUR 21 million, which mainly include those related to the amortization of Webber, LLC goodwill. (EUR 21 million in 2021).

b) Deferred taxes due to the fair value adjustment to acquisitions

I-66 Mobility Partners

This reflects deferred tax liabilities due to differences between tax and accounting values:

- EUR 231 million recognized due to the difference between tax and accounting values following the restatement of the I-66 toll road assets on 31 December 2022. (EUR 218 million at 31 December 2021).
- EUR 38 million recognized as a result of measuring the concession debt at fair value on 31 December 2022. (EUR 37 million at 31 December 2021).

These amounts are recognized with a balancing item in goodwill in the same amount, in accordance with IAS 12, paragraph 66.

Dalaman

EUR 46 million recognized as a result of the acquisition of the 60% interest held by the Group in the company, as deferred goodwill (see note 1.1.4).

According to paragraphs 19 and 20 of IAS 12, if in a business combination a balance sheet item is measured at fair value but its tax value does not change, a deferred tax asset or liability must be recognized.

c) Liabilities arising from temporary differences between accounting and tax criteria

A liability represents an expense that is recognized for tax purposes before it may be recognized for accounting purposes, or income recognized in the accounts before it is declared in the tax return.

Deferred tax liabilities relate essentially to:

- Deferred tax liabilities for differences between tax and accounting amortization (EUR 285 million). (EUR 176 million in 2021).
- Deferred tax liabilities of EUR 59 million arising as a result of differences between the tax and accounting methods used to recognize revenue under IFRIC 12, mainly in the Toll Roads Division. (EUR 54 million in 2021).

d) Deferred taxes arising from equity measurement adjustments.

This reflects the cumulative tax effect of measurement adjustments to various items recognized in reserves. The effect is reflected as an asset or liability since there is generally no direct tax effect until the amount in reserves is taken to the income statement.

The deferred liability balance reflects profits not yet recognized for tax purposes. They relate mostly to deferred tax liabilities arising from financial derivatives, which amount to EUR 64 million. (EUR 45 million in 2021).

Other deferred taxes

e) Deferred tax liabilities relating to dividends pending payment by investees

The Group recognizes EUR 50 million in deferred tax liabilities in relation to withholding tax on the repatriation of future dividends from Canada, as shown on the "Other items" line in the above table.

The movements in deferred assets and liabilities during the year 2021 are detailed below:

ASSETS

(Million euro)	2020	Prior years, transfers and other	Charged/credited to income statement	Charged/credited to equity	Foreign exchange effect	2021(*)
Tax credits	129	7	47	0	9	192
Differences between tax and accounting	348	-17	-21	-8	2	304
Equity measurement adjustments	110	5	4	-29	0	90
Other items	16	28	-61	0	1	-16
TOTAL	**603**	**23**	**-31**	**-37**	**12**	**570**

LIABILITIES

(Million euro)	2020	Prior years, transfers and other	Charged/credited to income statement	Charged/credited to equity	Foreign exchange effect	2021(*)
Deferred taxes on goodwill	35	7	-12	-11	1	20
Deferred fair value adjustment to	0	258	0	0	-3	255
Differences between tax and	317	4	-59	1	14	277
Equity measurement adjustments	66	5	0	-26	0	45
Other items	33	60	-4	0	1	90
TOTAL	**451**	**334**	**-75**	**-36**	**13**	**687**

2.8.4. Years open to tax inspection

In accordance with prevailing legislation, taxes may not be deemed to be finally settled until the returns filed have been inspected by the tax authorities or the legally stipulated limitation period has elapsed.

The following proceedings are in progress with the Spanish tax authorities at the reporting date:

The consolidated Ferrovial Group is undergoing a State Aid Recovery Procedure involving the regularization of tax obligations affected by the Third Decision, in connection with state aid consisting of the tax amortization of financial goodwill arising from the acquisition of foreign shareholdings during 2019 and 2020. A settlement proposal of EUR 4.9 million has been received.

The following inspections are in progress internationally, in the jurisdictions indicated:

Canada**:** The Canadian tax authorities initiated an inspection of corporate income tax for 2013 to 2019 in relation to the company Cintra 4352238 Investments Inc and 2019 in relation to Cintra 11200232 Investments Inc., questioning the tax deductibility of intragroup charges made by Cintra Servicios (Spain) for financial services and reclassifying the transaction as a dividend for financial years 2013 to 2016.

No settlement proposal has yet been issued for 2017 to 2019. As this involves intragroup charges of a different kind to those made in the years assessed, the inspectorate's stance in this regard is unknown. The regularization pending payment for financial services is estimated at EUR 4 million (CAD 5.8 million), including the non-deductible expense, withholding tax under the treaty, interest and penalties.

The claim in the Canadian courts is currently suspended pending the outcome of the Mutual Agreement Procedure initiated.

The Netherlands: The Dutch tax authorities have questioned the existence of Ferrovial International, S.E's horizontal tax consolidated group in the Netherlands in 2019 and the first two months of 2020. The potential impact of regularization was the view to be taken that all the Group's Dutch companies should be taxed under the individual scheme has been estimated at EUR 2.7 million (for 2019 and 2020).

Chile - Transmission lines: The Chilean tax authorities have initiated an inspection of Transchile Charrua for 2018 and 2019, in which they have questioned the deductibility of financial expenses on third-party financing. The potential impact is expected to be EUR 1.2 million. In January 2023, notification was received of the start of an inspection of the company Ferrovial Power Infrastructures for 2019 and 2020.

Morocco: The Moroccan tax authorities have sent a settlement proposal to the Cadagua branch following the inspection of the period 2016 to 2021 carried out as part of the branch closure process. A settlement of EUR 5 million is proposed for corporate income tax, VAT and withholdings on payments to non-residents. An administrative appeal has been lodged against the proposal.

At 31 December 2022, the years that are not statute barred are open to inspection by the tax authorities in respect of corporate income tax and the other main taxes to which the companies of the tax consolidated group are subject.

Spain: the last four financial years are generally open to inspection for the main applicable taxes. The foreign companies are subject to a statute of limitations of between three and five years in most of the countries in which the Group has operations.

In view of the different interpretations to which tax regulations lend themselves, any inspections that may be undertaken in the future by the tax authorities for the years open to inspection could give rise to tax liabilities the amount of which cannot currently be objectively quantified. Nonetheless, the likelihood that significant liabilities in addition to those recognized could have a material impact on the Ferrovial Group's equity is regarded as remote.

NOTES ON PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

2.9. PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

Profit from discontinued operations for the year amounted to EUR 64 million (EUR 361 million in 2021), relating to the Services Division (EUR 246 million) and the Construction Division (EUR 115 million).

Services Division

As explained in Note 1.1.3, in 2022 has been completed the Services Division divestment process.

The main impact recognized in discontinued operations in 2022 relates to the divestment of the Amey business in the UK, completed in December 2022, that generated a capital gain of EUR 58 million including the transfer to the income statement of the amounts accumulated in equity of the currency translation differences (EUR -156 million) and the derivatives for hedging interest (EUR -15 million) (see Note 5.1.1)

The main impact recognized in 2021 profit/(loss) from discontinued operations related to the divestments of the Environment Services business in Spain and Portugal completed at the end of 2021 at a net capital gain of EUR 335 million and the capital gain of EUR 115 million on the sale of the Budimex Group's real estate business.

NOTES ON PROFIT/(LOSS) FROM NON-CONTROLLING INTERESTS, NET PROFIT/(LOSS) AND EARNINGS PER SHARE

2.10. PROFIT/(LOSS) FROM NON-CONTROLLING INTERESTS

In 2022, profit/(loss) attributed to non-controlling interests amounted to EUR -116 million (EUR -138 million at December 2021).

This figure relates to the profits obtained by Group companies are attributable to the company's other shareholders. The positive figures relate to loss-making companies and the negative figures relate to profit-making companies.

(Million euro)	2022	2021	VAR. 22/21	NON-GROUP %
Budimex Group	-60	-109	50	50 %
Autop. Terrasa Manresa, S.A.	19	14	5	24 %
LBJ Infrastructure Group	-9	2	-10	45 %
NTE Mobility Partners	-47	-25	-22	37 %
NTE Mobility Partners Segments 3 LLC	-33	-20	-13	46 %
FAM Construction LLC	26	7	19	30 %
Sugar Creek Construction LLC	-2	-1	-1	30 %
I-77 Mobility Partners	-6	-1	-5	28 %
I-66 Mobility Partners	10	0	10	44 %
YDA Havalimani Yatrim Ve (Dalaman)	-8	0	-9	40 %
Other companies	-6	-1	-5	
TOTAL continuing operations	**-116**	**-134**	**18**	
TOTAL discontinued operations	**0**	**-3**	**3**	
TOTAL	**-116**	**-138**	**21**	

The main change with respect to the previous year relates to the Budimex Group, which posted a loss of EUR -60 million in 2022, as compared with the 2021 loss of EUR -109 million in 2021, which was due mainly to the divestment of the real estate business carried on through its subsidiary Budimex Nieruchomości. Also of note is the decline in the results of FAM Construction LLC (negative effect of EUR 26 million) and Autema (EUR 19 million). However, the US toll roads performed well and Dalaman International Airport in Turkey was purchased from the YDA Group, which retained a 40% ownership interest (Note 1.1.4.) and posted a profit of EUR 21.3 million.

2.11. NET PROFIT/(LOSS) AND EARNINGS PER SHARE

The calculation of earnings per share attributed to the parent company is as follows:

(Million euro)	2022	2021 (*)
Net profit/(loss) attributable to parent company (million euro)	**186**	**1,198**
Net cost of subordinated perpetual bond	-8	-8
Adjusted net profit/(loss) attributable to parent company (million euro)	**178**	**1,190**
Weighted average number of shares outstanding (thousand shares)	736,414	736,882
Less average number of treasury shares (thousand shares)	-12,937	-5,110
Average number of shares to calculate basic earnings per share	**723,477**	**731,772**
Basic earnings per share (euro)	**0.25**	**1.63**
Adjusted net profit/(loss) from continuing operations	230	967
Basic earnings per share, continuing operations (euro)	0.32	1.32
Net profit/(loss) from discontinued operations	64	361
Basic earnings per share, discontinued operations (euro)	0.09	0.49

(*) Restated figures (Note 1.1.5).

Basic earnings per share have been calculated by dividing profit for the year attributed to the parent company's shareholders, adjusted for the net coupon for the year on the subordinated perpetual bonds issued by the Group and taken directly to equity (Note 5.1.2.d), by the weighted average number of ordinary shares outstanding, excluding the average number of treasury shares held during the year.

As regards diluted earnings per share, it should be noted that the Group did not have any dilutive potential ordinary shares, since no convertible debt instruments were issued and the share-based remuneration schemes described in Note 6.7 will not give rise to any share capital increases in the Group. Consequently, no dilutive impact is envisaged when employee rights under the plans are exercised. Hence there is no difference between the basic and diluted earnings per share.

Profit/(loss) per business segment is disclosed in Appendix III.

SECTION 3: NON-CURRENT ASSETS

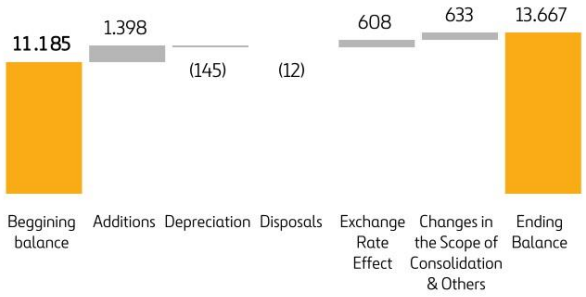
This section includes the notes on non-current assets in the balance sheet, excluding deferred tax assets (Section 2) and financial derivatives (Section 5).

The main components of Ferrovial's non-current assets at December 2022 are "Fixed assets in infrastructure projects" amounting to EUR 13,667 million, accounting for 72% of total non-current assets (Note 3.3) and "Investments in associates" amounting to EUR 1,892 million (relating mainly to the investments in 407 ETR, IRB and JFK NTO), accounting for 10% of total non-current assets (Note 3.5). "Goodwill on consolidation" (EUR 480 million) accounts for 3% of total non-current assets.

The variation in the line of Investment in Infrastructure Projects in "Non-current assets" during the year was 1,398 million euros, mainly due to the increase in investment in the I-66 and NTE 3. These two projects have led to an increased Infrastructure Project fixed assets without foreign exchange effect by EUR 1,388 million. The foreign exchange effect during the year (EUR 608 million) was also significant, due primarily the impact of the euro/US dollar exchange rate on the US toll roads, particularly the North Tarrant Express Extension, the I-77 Mobility Partners LLC toll road and the I-66 Express Mobility Partners LLC toll road.

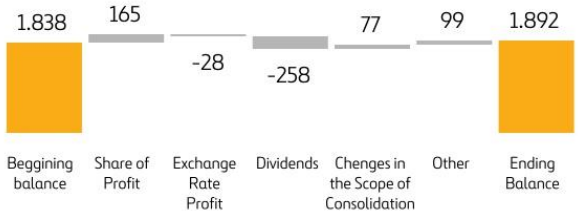
Lastly, changes in the scope of consolidation are mainly due to the acquisition of Dalaman International Airport in Turkey for 633 million euros in July 2022.

Investment in Infrastructure Projects



Investments in associates increased by EUR 54 million due to the acquisition of 48.96% of JFK NTO Airport (EUR 59 million), the share of these companies' profits (EUR 165 million), relating primarily to 407 ETR (EUR 124 million), the accounting hedge gains recognized under "Other movements" (EUR 213 million), mainly resulting from the JFK NTO acquisition, dividend payments of EUR -258 million (mainly 407 ETR) and the foreign exchange effect (EUR -28 million) due to the euro's depreciation against sterling and against the Indian rupee.

Investment in Associates



As regards changes in goodwill, there was an increase of EUR 48 million, primarily from the acquisition of the 60% ownership interest in Dalaman International Airport (EUR 27 million) in July 2022.

3.1. GOODWILL AND ACQUISITIONS

Movements in goodwill during 2022 are set out below:

(Million euro)	BALANCES AT DEC. 2021 (*)	Changes in the consolidation scope and other	Exchange rate	BALANCES AT DEC. 2022
Construction	127	2	3	132
Budimex	64	2	-1	65
Webber	50	13	4	67
Ferrovial Services Infrastructure	13	-13	0	0
Toll Roads	**251**	**0**	**14**	**265**
I-66 Express Mobility Partners Hold. LLC	251	0	14	265
Airports	**0**	**27**	**0**	**27**
Dalaman	0	27	0	27
Energy infrastructures	**52**	**0**	**3**	**56**
Power Transmission Serv., Chile	42	0	3	45
Mining Services Chile	10	0	1	11
TOTAL	**431**	**29**	**19**	**479**

(*) Restated figures (Note 1.1.5)

3.1.1. Movements during the year

The main change during the year relates to the Airports Division following the Dalaman International Airport acquisition, which gave rise to goodwill of EUR 27 million (Note 1.1.4).

The foreign exchange effect amounted to EUR 19 million, relating mainly to the Toll Roads business, due to the appreciation of the US dollar against the euro (Note 1.4).

3.1.2. Goodwill impairment test

A. Construction Division goodwill (Webber and Budimex):

The goodwill of Webber (US) and Budimex (Poland) amounted to EUR 67 million and EUR 65 million, respectively, at 31 December 2022 (EUR 50 million and EUR 64 million respectively at 31 December 2021).

In accordance with accounting legislation, the pertinent analyses were conducted and the conclusion was drawn that there are no indications of impairment.

Methodology

In the case of Webber, the goodwill impairment test reflects a buffer of 127% with respect to the carrying amount of EUR 356 million. The flows were discounted at a rate of 7.6% (7.8% before taxes) calculated using the CAPM based on current market input and in line with the method used in prior years.

As Budimex is listed on the Warsaw Stock Exchange, the goodwill was tested for impairment by ascertaining whether the closing market price at 31 December 2022 of the Budimex share was higher than its carrying amount plus the allocated goodwill. The test did not show any impairment.

Impairment test findings:

Budimex's share price at 31 December 2022 was 573% higher than its carrying amount of EUR 115 million (compared to 445% in the previous year).

B. Toll Roads Division goodwill (I-66):

The I-66 toll road goodwill arose from the acquisition of an additional 5.704% of the concession operator I-66 Express Mobility Partners Hold. LLC in December 2021.

As the toll road became operational in the last quarter of 2022 and there were no events having a material effect on the business plan, there are no indications that the recoverable amount of that goodwill is below the value allocated following the acquisition of control. The impairment test reflects a buffer of 16% with respect to the carrying amount of EUR 2,017 million. The flows have been discounted at a rate of 8.7% (9.6% before taxes). The test was not carried out in 2021 because the ownership interest was measured at fair value in December.

C. Energy and Mobility Goodwill (Transchile and Ferrovial Services Chile):

The goodwill of Transchile, the company owning the power transmission lines in Chile amounted to EUR 45 million in December 2022 (EUR 42 million in December 2021).

Based on the goodwill impairment test findings, the buffer is 68% with respect to the carrying amount of EUR 37 million at 31 December 2022 (99% in 2021). The flows were discounted at a 7.8% cost of equity (9.5% before taxes), which is in line with the rates used to calculate goodwill impairment in 2021.

Goodwill is also recognized in Ferrovial Servicios Chile, which is engaged mainly in providing mining industry operation and maintenance services. This business was reclassified as a continuing operation in 2022 after the conclusion was reached that it fits strategically into the Group's Energy and Mobility Division.

The impairment test performed identified a buffer of 37% in relation to the carrying amount, which was EUR 9 million at 31 December 2022. The flows were discounted at a rate (WACC) of 13.5% (14.3% before taxes), calculated using the CAPM based on current market input.

3.2. INTANGIBLE ASSETS

At year-end 2022, the balance of intangible assets, excluding infrastructure project companies, amounted to EUR 137 million (EUR 126 million in 2021).

This heading includes mainly:

- "Concession rights", reflecting rights to operate the concessions that are not classified as Projects (see definition in Note 1.1.2). At 31 December 2022, the carrying amount of EUR 20 million (EUR 24 million at 31 December 2021) relates primarily to the UK Waste Treatment activity and a customer portfolio in the amount of EUR 9 million relating to the Construction business.
- "Computer software" with a net value of EUR 24 million (EUR 16 million at 31 December 2021), which primarily relates to the Corporation division.

- "Other intangible assets", amounting to EUR 90 million (EUR 85 million on 31 December 2021), relating essentially to the Budimex Services business included in the Construction Division (EUR 23 million), licenses for the Parque Solar Casilla photovoltaic plant amounting to EUR 9.1 million, as well as the easements of the Chilean power transmission lines amounting to EUR 40 million (EUR 33 million at 31 December 2021).
- No significant fully-depreciated assets were written off during the financial year.

The effect on cash flows (Note 5.3) of intangible asset additions amounted to EUR -15 million.

3.3. INVESTMENTS IN INFRASTRUCTURE PROJECTS

3.3.1. Intangible asset model

(Million euro)	BALANCE AT 01/01	TOTAL ADDITIONS	TOTAL DISPOSALS	FOREIGN EXCHANGE EFFECT	CONSOLIDATION SCOPE CHANGES AND TRANSFERS	BALANCE AT 31/12
Spanish toll roads	713	0	0	0	1	714
US toll roads	10,527	1,388	0	632	0	12,547
Other toll roads	391	0	0	0	0	391
Toll road investment	**11,632**	**1,388**	**0**	**632**	**1**	**13,653**
Accumulated depreciation/amortizatio	-617	-145	0	-19	0	-781
Net investment in toll roads	**11,014**	**1,244**	**0**	**613**	**1**	**12,872**
Investment in other infrastructure projects	0	0	0	0	632	632
Depreciation/amortizatio n of other infrastructure projects	0	0	0	0	0	0
Total net investment in other infrastructure projects	**0**	**0**	**0**	**0**	**632**	**632**
TOTAL INVESTMENT	**11,632**	**1,388**	**0**	**632**	**633**	**14,285**
TOTAL DEPRECIATION/AMORTISATION AND PROVISION	**-617**	**-145**	**0**	**-19**	**0**	**-781**
TOTAL NET INVESTMENT	**11,014**	**1,243**	**0**	**613**	**633**	**13,504**

The most significant changes in 2022 were as follows:

- Exchange rate fluctuations resulted in a change of EUR 613 million (EUR 348 million in 2021) in these asset balances, the full amount of which was attributed to the effect of the euro/US dollar exchange rate on the US toll roads (Note 1.4).
- Toll road additions amounted to a gross EUR 1,388 million, relating to the US toll roads. Of these, the most significant involve the I-66 Express Mobility Partners LLC toll road for EUR 1,126 million (EUR 48 million in 2021) and the North Tarrant Express Extension for EUR 261 million (EUR 244 million in 2021).
- The scope changes column (EUR 633 million) refers essentially to the consolidation of the Dalaman International Airport assets acquired in July 2022.

All the concession assets of the infrastructure project companies are pledged to secure borrowings (Note 5.2). Related borrowing costs capitalized in 2022 are described in Note 2.6.

Movements in these assets in 2021 are set out below:

(Million euro)	BALANCE AT 01/01	TOTAL ADDITIONS	TOTAL DISPOSALS	FOREIGN EXCHANGE EFFECT	CONSOLIDATION SCOPE CHANGES AND TRANSFERS	BALANCE AT 31/12 (*)
Spanish toll roads	715	0	-5	0	3	713
US toll roads	5,553	292	-118	369	4,432	10,527
Other toll roads	391	0	0	0	0	391
Toll road investment	**6,658**	**292**	**-123**	**369**	**4,435**	**11,632**
Accumulated depreciation/amortization	-484	-111	0	-21	-2	-617
Net investment in toll roads	**6,174**	**181**	**-123**	**348**	**4,433**	**11,014**
Investment in other infrastructure projects	15	0	0	0	-15	0
Depreciation/amortization of other infrastructure projects	0	0	0	0	0	0
Total net investment in other infrastructure projects	**15**	**0**	**0**	**0**	**-15**	**0**
TOTAL INVESTMENT	**6,674**	**292**	**-123**	**369**	**4,418**	**11,632**
TOTAL DEPRECIATION/AMORTISATION AND PROVISION	**-484**	**-111**	**0**	**-21**	**-2**	**-617**
TOTAL NET INVESTMENT	**6,190**	**181**	**-123**	**348**	**4,416**	**11,014**

(*) Restated figures (Note 1.1.5).

3.3.2. Financial asset model

They mainly relate to long-term receivables (more than twelve months) from public administrations in return for services rendered or investments made under concession arrangements, as a result of applying IFRIC 12. Movements are set out below at 31 December 2022 and 2021:

(Million euro)	INFRASTRUCTURE PROJECT RECEIVABLES 2022	INFRASTRUCTURE PROJECT RECEIVABLES 2021 (*)
OPENING BALANCE	**169**	**166**
Additions	9	0
Disposals	-12	-4
Transfers and other	0	0
Foreign exchange effect	-4	5
Other	0	1
Reclass. to held for sale	0	1
YEAR-END BALANCE	**162**	**169**

Note: Balances net of provisions

(*) Restated figures (Note 1.1.5).

	BALANCES AT 31/12/2022		
CONCESSION OPERATOR	**LONG-TERM RECEIVABLES**	**SHORT-TERM RECEIVABLES**	**TOTAL**
(Million euro)		(Note 4.2)	**2022**
Concesionaria de Prisiones Lledoners	53	3	56
Depusa Aragón	23	1	24
Budimex Parking Wrocław	10	0	10
CONSTRUCTION	**86**	**3**	**89**
UK Waste Treatment (Thalia)	76	0	76
UK WASTE TREATMENT	**76**	**0**	**76**
GROUP TOTAL	**162**	**3**	**165**

CONCESSION OPERATOR	BALANCES AT 31/12/2021 (*) LONG-TERM RECEIVABLES	SHORT-TERM RECEIVABLES	TOTAL
(Million euro)		(Note 4.2)	2021
Concesionaria de Prisiones Lledoners	56	1	57
Depusa Aragón	24	1	24
Budimex Parking Wrocław	10	0	10
CONSTRUCTION	**90**	**2**	**92**
UK Waste Treatment (Thalia)	80	0	80
UK WASTE TREATMENT	**80**	**0**	**80**
GROUP TOTAL	**170**	**2**	**172**

(*) Restated figures (Note 1.1.5)

3.3.3 Cash flow effect

The cash flow impact of project additions primarily accounted for using the intangible asset model amounted to EUR -784 million (Note 5.3), which differs from the additions recognized in the balance sheet for the following main reasons:

- For projects in which the intangible asset model is applied, due to differences between the accrual basis and cash basis of accounting, as well as the capitalization of borrowing costs attributable to projects under construction, which do not give rise to cash outflows.
- For projects in which the financial asset model is applied, due to increases in receivables as a balancing entry for revenue from services rendered, which also do not give rise to cash inflows.
- The impact on cash flows reflects movements associated with the discontinued operation, which are not recognized in the balance sheet due to being specifically reclassified to held for sale.

3.4. PROPERTY, PLANT AND EQUIPMENT

Movements in Property, plant and equipment in the consolidated statement of financial position are set out below:

Movements during 2022 (million euro)	Land and buildings	Plant and machinery	Fixtures, fittings, tooling and furniture	Total
Investment: Balance at 01.01.2022(*)	**100**	**445**	**287**	**832**
Additions	17	75	115	207
Disposals	0	-43	-13	-56
Scope changes and transfers	-24	-3	5	-22
Foreign exchange effect	1	6	1	8
Balances at 31.12.2022	**94**	**480**	**395**	**969**
Accumulated depreciation and impairment losses at 01.01.2022(*)	**-31**	**-297**	**-150**	**-478**
Depreciation charge	-4	-26	-17	-47
Disposals	0	27	8	35
Scope changes and transfers	6	1	1	8
Foreign exchange effect	0	-2	0	-2
Impairment of property, plant and equipment	**0**	**0**	**-6**	-6
Balances at 31.12.2022	**-29**	**-297**	**-164**	**-490**
Carrying amount at 31.12.2022	**65**	**183**	**231**	**479**

(*) Restated figures (Note 1.1.5)

The most significant changes in 2022 were as follows:

Additions:

Additions totalled EUR 207 million, the most significant relating to the Construction Division (EUR 98 million) due to the acquisition of machinery and fixtures, fittings, tooling, furniture and vehicles, and to the Energy and Mobility Division (EUR 86 million), arising primarily from the construction of the Los Berrocales (Seville) renewable energy generation plant.

Additions to property, plant and equipment are analyzed below by business segment:

(Million euro)	2022	2021
Construction	98	73
Toll Roads	17	2
Energy and mobility infrastructures	86	0
Other	6	33
TOTAL	**207**	**108**

Cash flow effect: The effect on cash flows of additions to property, plant and equipment amounted to EUR -80 million, of which EUR -74 million relates to the Construction Division and EUR -6 million to the Energy and Mobility Division. As indicated in Note 5.3, reported cash flows comprise flows from operating, investing and financing activities relating to discontinued operations and held-for-sale assets.

Disposals due to sales or retirement:

Disposals due to sales or retirement amounted to EUR 56 million. Approximately EUR 7 million of this amount relates to sales of Grand Parkway Infrastructure property, plant and equipment, specifically to two four-track pavers (EUR 4 million) and two dump trucks (EUR 2.4 million), among other items. Also of note is the sale of a floating dock for EUR 8.5 million, among other items, to Ferrovial Construcción, S.A. which, combined with the other assets, makes a total of EUR 17 million. In addition, a carousel and a conveyor belt from the Sydney metro project were sold for EUR 4.5 million and EUR 1.8 million, respectively, due to the transfer of ownership to the customer (Sydney Metro). The remaining amount essentially relates to the disposal or retirement of fully-depreciated or obsolete items, which did not have a material effect on the consolidated income statement.

Other disclosures relating to property, plant and equipment:

Property, plant and equipment not used in operations are immaterial in the final consolidated balances. An impairment provision for property, plant and equipment is recognized in the amount of EUR 6 million (EUR 6 million in 2021) in relation to the Construction Division.

The Group has taken out insurance policies to cover the possible risks to which its property, plant and equipment are subject and any claims that may be brought in the course of business. These policies are considered to provide sufficient coverage for the related risks.

Property, plant and equipment in course of construction amount to EUR 150 million (EUR 55 million in 2021).

At 31 December 2022, no significant property, plant or equipment were subject to ownership restrictions or pledged as collateral for liabilities.

Movements in 2021 are set out below:

Movements during 2021 (*) (million euro)	Land and buildings	Plant and machinery	Fixtures, fittings, tooling and furniture	Total
Investment: Balance at 01.01.2021	**104**	**479**	**255**	**838**
Additions	4	43	61	108
Disposals	-12	-114	-42	-168
Scope changes and transfers	-2	-7	-7	-16
Foreign exchange effect	4	10	12	26
Reclassified to held for sale	2	34	8	44
Balances at 31.12.2021	**100**	**445**	**287**	**832**
Accumulated depreciation and	**-22**	**-313**	**-162**	**-497**
Depreciation charge	-6	-28	-25	-59
Disposals	0	70	49	119
Scope changes and transfers	0	6	4	10
Foreign exchange effect	-1	-4	2	-3
Impairment of property, plant and equipment	0	0	-10	-10
Reclassified to held for sale	-2	-28	-8	-38
Balances at 31.12.2021	**-31**	**-297**	**-150**	**-478**
Carrying amount at 31.12.2021 (*)	**69**	**148**	**137**	**354**

3.5. INVESTMENTS IN ASSOCIATES

Set out below is a breakdown of investments in equity-accounted companies at 31 December 2022 showing movements during the year. Due to their significance, the investments in HAH (25%), 407 ETR (43.23%), JFK NTO (49%), AGS (50%) and IRB Infrastructure Developers Limited (24.86%) are presented separately. As mentioned in the 2021 annual accounts, the considerable losses posted in 2020 and 2021 in the Airports business reduced the investments in HAH and AGS to zero, as prior-year losses exceeded the amount of the shareholdings, there being no commitments to inject additional funds (pursuant to IAS 28).

2022 (million euro)	HAH (25%)	407 ETR (43.23%)	AGS (50%)	IRB (24.86%)	JFK (49.004 %)	OTHER	TOTAL
Balance at 31.12.21	**0**	**1,181**	**0**	**378**	**0**	**280**	**1,838**
Share capital contribution	0	0	0		59	17	77
Share of profit/(loss)	0	124	0	22	1	17	164
Dividends	0	-237	0	-2	0	-19	-258
oreign exchange differences	0	-4	0	-18	-3	-3	-28
Derivatives	0	0	0	0	117	100	213
Scope changes	0	0	0	0	0	-111	-111
Other	0	0	0	-2	0	-5	-3
Balance at 31.12.22	**0**	**1,063**	**0**	**377**	**175**	**276**	**1,892**

Movements under this heading are primarily explained by the profit for the year (EUR 164 million) posted by the ETR407 toll road company and the ownership interest in IRB, together with the capital contributions made, mainly to JFK NTO (EUR 59 million) and in Serveo (EUR 17 million), the commercial brand through which the infrastructure conservation and maintenance business operates in Spain, in which Ferrovial holds a 24,99% stake after its sale to Portobello Capital (Note 1.1.3).

Conversely, dividends were paid out (EUR -258 million), mainly by ETR407, and a foreign exchange loss was recognized (EUR -28 million) due primarily to the euro's appreciation against the Indian rupee.

Finally the positive effect of the change in market value of the interest rate swaps (IRS) arranged by JFK NTO to hedge project debt for a notional amount of USD 5,9 billion, as well as Silvertown Projects (UK) and Zero Bypass (Slovakia). This effect is partly offset by the proceeds from the sale of the 15% stake held by the group in Ausol concessionaire (EUR -111 million).

The balance at December 2022 of Others heading (EUR 276 euros), corresponds mainly to the participations that Ferrovial maintains in infrastructure projects, mainly Silvertown, Concesionaria Madrid Calle 30, Netflow OSARS (Western) and Zero Bypass Ltd.

Cash flow effect: The difference between the dividends of EUR 258 million in the above table and the figure of EUR 284 million disclosed in the cash flow statement (Note 5.3) relates mainly to interest received on loans granted to equity-accounted companies and carried under non-current financial assets in the balance sheet (Note 3.6), to the effect of certain exchange rate hedges related to dividends received and dividends received from Services projects.

Movements under this balance sheet heading in 2021 are set out below:

2021 (million euro)	HAH (25%)	407 ETR (43.23%)	AGS (50%)	IRB (24.86%)	OTHER	TOTAL
Balance at 31.12.20	**205**	**1,205**	**0**	**0**	**317**	**1.727**
Share of profit/(loss)	-238	52	-20	0	28	-178
Dividends	0	-175	0	0	-15	-190
Foreign exchange differences	5	100	0	4	-2	107
Pensions	23	0	0	0	0	23
Scope changes	0	0	0	369	-45	324
Other	5	0	20	5	-4	26
Balance at 31.12.21 (*)	**0**	**1,181**	**0**	**378**	**280**	**1.838**

3.5.1. Disclosures relating to HAH

a. Balance sheet and income statement movements 2022-2021

In view of the importance of this investment, set out below are the balance sheet and income statement highlights for this Group of companies, adjusted to Ferrovial's accounting policies, together with comments on movements during 2022.

The balance sheet figures shown reflect the full balances of HAH and are presented in pounds sterling. The exchange rates used in 2022 are EUR 1=GBP 0.88534 (GBP 0.841330 in 2021) for the balance sheet figures and EUR 1=GBP 0.85269 (GBP 0.8590 in 2021) for the income statement figures.

Balance sheet 2022/2021

HAH (100%) Million GBP	2022	2021	Var.
Non-current assets	**16,506**	**16,373**	**133**
Goodwill	2,753	2,753	0
Fixed assets in infrastructure projects	12,369	12,542	-173
Right-of-use assets	194	270	-76
Non-current financial assets	20	44	-24
Pension plan surplus	0	343	-343
Deferred taxes	0	0	0
Financial derivatives	1,145	421	724
Other non-current assets	26	0	26
Current assets	**3,317**	**3,144**	**173**
Trade and other receivables	2,779	186	2593
Financial derivatives	1	24	-23
Cash and cash equivalents	521	2,920	-2,399
Other current assets	16	13	2
TOTAL ASSETS	**19,823**	**19,517**	**306**

HAH (100%) Million GBP	2022	Dec. 2021	Var.
Equity	**-3,018**	**-2,914**	**-104**
Non-current liabilities	**21,334**	**21,057**	**277**
Pension provisions	1	30	-29
Borrowings	18,025	18,031	-6
Deferred taxes	399	434	-35
Financial derivatives	2,436	2,226	210
Other non-current liabilities	473	337	136
Current liabilities	**1,507**	**1,374**	**133**
Borrowings	1,008	1,000	8
Trade payables	457	352	105
Financial derivatives	40	19	21
Other current liabilities	2	4	-2
TOTAL LIABILITIES	**19,823**	**19,517**	**306**

Equity

As explained previously, the ownership interest in this company has zero value since the prior-year losses caused by COVID-19 brought equity attributable to Ferrovial below zero (as stipulated in IAS 28).

The following table shows movements in the 25% equity interest in the company, including both results for the year and results not consolidated because losses for the year exceeded the investment's value, relating mainly to pensions and derivatives.

2022 (million euro)	HAH (25%)
Balance at 31.12.21	**-176**
Share of profit/(loss)	76
Derivatives	1
Pension plans	-94
Currency translation differences	13
Balance at 31.12.22 without IAS 28	**-180**
Profit/(loss) not consolidated under IAS 28	145
Other equity effects not consolidated under IAS 28	36
Balance at 31.12.22 under IAS 28	**0**

Borrowings

HAH's borrowings (short- and long-term) amounted to GBP 19,003 million on 31 December 2022, which is GBP 2 million below the previous year's figure (GBP 19,031 million at 31 December 2021). This change is mainly due to fair value adjustments to and the exchange rate of foreign currency bonds issued.

Financial derivatives at fair value

The notional principal amount of HAH's derivatives portfolio at 31 December 2022 totalled GBP 18,618 million, including interest rate derivatives (IRSs) with a notional amount of GBP 7,378 million (hedging floating-rate borrowings), cross-currency swaps (hedging bonds issued in foreign currencies) with a notional amount of GBP 5,533 million and index-linked swaps (ILSs) with a notional amount of GBP 5,707 million. The purpose of inflation derivatives is to convert fixed-rate debt into debt that has a variable inflation-linked rate for the purpose of hedging fluctuations in the regulatory asset base (RAB) caused by inflation.

Income statement 2022-2021

The following table shows HAH's income statement movements in 2022 and 2021:

HAH (100%) Million GBP	2022	2021	Var.
Operating income	2,913	1,214	39
Operating expenses	-1,210	-858	229
EBITDA	**1,703**	**357**	**268**
Fixed asset depreciation	-795	-828	20
Operating profit/(loss) before impairment and disposals	**909**	**-472**	**288**
Impairment and disposal of fixed assets	0	0	0
Operating profit/(loss)	**909**	**-472**	**288**
Net financial income/(expense)	-687	-1,509	-654
Profit/(loss) before tax	**222**	**-1,981**	**-367**
Corporate income tax	-54	319	113
Net profit/(loss)	**168**	**-1,662**	**-254**
25% Profit/(loss) attributed to Ferrovial (million euro)	**49**	**-484**	**-88**
Profit/(loss) attributed to Ferrovial under IAS 28 (EUR million)	**0**	**-238**	**158**

Over the course of 2022, Heathrow Airport benefited from the progressive lifting of traffic restrictions applicable at the end of 2021, despite the travel restrictions in the United Kingdom and the impact of the Omicron variant at the start of the year. As a result, Heathrow's passenger numbers have grown considerably in the past few months, with nearly six million in December 2022, as compared with 2.6 million in January 2022 and well above the 3.1 million in December 2021.

Note 2.7 and the Management Report describe in detail the various items explaining HAH's results. The profit amounting to EUR 49 million corresponds to Ferrovial before applying IAS 28.

3.5.2. Disclosures relating to 407 ETR

Given that Ferrovial's ownership interest in 407 ETR was restated when control was lost, analyzing the implicit existence of goodwill, as stipulated on paragraph 40 and following paragraphs of IAS 28, the possible existence of indications of impairment is assessed on an annual basis.

a. Impairment analysis

This asset performed well in 2022, revenue having grown by 30% and EBITDA by 33%. The traffic volumes increased thanks to the lifting of all COVID-19-related governmental restrictions in Ontario province in March 2022.

Ferrovial's measurement of this concession, which includes estimated pandemic effects, shows a very large buffer over its book value. The sensitivity of revenue growth and the discount rate were measured, a broad buffer having been identified.

The recoverable amount of a concession operator with an independent financial structure and a limited duration is calculated by discounting forecast shareholder cash flows to the concession expiration date (2098 in the case of 407 ETR). The Group considers that value in use must be calculated based on an approach spanning the entire concession term, as the asset has very different phases of investment and growth and there is sufficient visibility to use a specific economic and financial plan during the concession term.

Cost of equity was estimated using the capital asset pricing model (CAPM). The discount rate was determined based on a risk-free rate referenced to the Canadian 30-year bond, a beta coefficient reflecting the asset's leverage and risk, and a market premium of 5.5% (6% premium in the previous year) are used. This resulted in a discount rate after tax (cost of equity or Ke) of 6.7% (8.0% before tax).

No signs of impairment were identified on the basis of the evaluation and the sensitivity analyses performed (primarily revenue and discount rate growth).

b. Balance sheet and income statement movements 2022-2021.

These figures reflect the company's full balances and are presented in millions of Canadian dollars. The exchange rates used in 2022 are EUR 1=CAD 1.45055 (CAD 1.43726 in 2021) for the balance sheet figures and EUR 1=CAD 1.36984 (CAD 1.47898 in 2021) for the income statement figures.

Balance sheet 2022-2021

407 ETR (100%) (million CAD)	Dec. 2022	Dec. 2021	Var. 22/21
Non-current assets	**4,565**	**4,574**	**-9**
Fixed assets in infrastructure projects	3,972	3,995	-23
Non-current financial assets	533	522	11
Deferred taxes	60	57	3
Current assets	**883**	**767**	**116**
Short-term trade and other receivables	265	230	36
Cash and cash equivalents	618	537	81
Total assets	**5,448**	**5,341**	**107**
Equity	**-5,407**	**-5,092**	**-315**
Non-current liabilities	**10,640**	**9,918**	**721**
Borrowings	10,060	9,354	706
Deferred taxes	580	564	16
Current liabilities	**216**	**514**	**-298**
Borrowings	139	427	-288
Short-term trade and other payables	77	87	-10
Total liabilities	**5,448**	**5,341**	**107**

There follows a description of the main movements in 407 ETR's balance sheet at 31 December 2022 compared to the previous year:

Equity

Equity fell by CAD 315 million with respect to the previous year, primarily due to the payment of CAD 750 million in dividends to shareholders, which was partly offset by the profit for the year of CAD 436 million.

The 43.23% of the subsidiary's shareholders' funds does not reflect the consolidated carrying amount of the ownership interest, since the latter also includes the amount of the gain arising from the fair value measurement of the investment retained following the divestment of a 10% ownership interest in this company in 2010, recognized as an increase in the investment's value, and the goodwill that arose in 2009 as a result of the merger of Grupo Ferrovial, S.A. and Cintra Concesiones de Infraestructuras de Transportes, S.A.

Therefore, the consolidated carrying amount in Ferrovial's accounts is calculated by increasing the figure for 43.23% of shareholders' funds presented above (CAD -2,337 million) by the amounts of the above-mentioned gain and the goodwill (CAD 2,560 million and CAD 1,319 million, respectively), giving a total of CAD 1,542 million which, translated at the year-end exchange rate (EUR 1 = CAD 1.45055), is equivalent to the ownership interest of EUR 1,063 million.

Borrowings

Overall financial debt (short and long term) increased in relation to December 2021 by USD 418 million due to issuance of new borrowings.

Income statement 2022-2021

The following table shows movements in 407 ETR's income statement during the financial years ended December 2022 and December 2021:

407 ETR (100%) (million CAD)	Dec-22	Dec-21	Var. 22/21
Operating income	1,327	1,023	304
Operating expenses	-188	-164	-24
EBITDA	**1,139**	**859**	**280**
Fixed asset depreciation	-100	-102	2
Operating profit/(loss)	**1,039**	**757**	**282**
Net financial income/(expense)	-447	-465	18
Profit/(loss) before tax	**592**	**292**	**300**
Corporate income tax	-156	-79	-78
Net profit/(loss)	**436**	**213**	**223**
Profit/(loss) attributable to Ferrovial (million CAD)	188	92	96
Adjustment to amortization of intangible assets (CAD million)	-19	-15	-4
Adjusted net profit/(loss) attributable to Ferrovial (43.23%) (million CAD)	**169**	**77**	**92**
Adjusted net profit/(loss) attributable to Ferrovial (43.23%) (million euro)	**124**	**52**	**71**

The main change in the income statement relates to operating income (CAD 304 million) as a result of the growth in traffic during the year due to the flexibility and subsequent lifting of all restrictions in relation to the Covid-19 pandemic, which were in place in 2021.

It should be noted that the profit/(loss) attributable to Ferrovial also includes the depreciation charged over the concession term on the remeasurement recognized following the loss of control of the company as a result of the sale in 2010 mentioned above.

Therefore, CAD -19 million of amortization would have to be deducted from the 43.23% of the local profit (CAD 188 million). Translating the resulting CAD 169 million at the average exchange rate (EUR 1 = CAD 1.36984) would give the EUR 124 million allocable to Ferrovial in 2022 (Note 2.7). For 2021 (EUR 1 = CAD 1.47898), this amounts to EUR 52 million attributable to Ferrovial (Note 2.7).

3.5.3. Disclosures relating to JFK NTO LLC

As indicated in Note 1.1.4 on scope changes, the agreement whereby Ferrovial invested in the capital of JFK NTO LLC, which will remodel, build, finance, operate and maintain the facilities of the new terminal one at New York's John F. Kennedy International (JFK) Airport, came into effect on 10 June. Ferrovial holds a 49% indirect ownership interest in the project.

The shareholders made a commitmÑent to inject share capital of USD 2,330 million, of which Ferrovial will contribute USD 1,142 million. At 31 December, USD 127 million had been disbursed (USD 62.3 million relates to Ferrovial).

Dividend payments by the company are restricted during the construction phase, which is estimated to end in mid-2026. Dividend payments are also subordinated to the payment of concession rent to the Airport Authority of New York and New Jersey.

The Company has no contingent liabilities at 31 December 2022.

The analysis of the concession agreement between NTO and the Airport Authority revealed that it comes under the scope of IFRIC 12 (concession arrangements) and the intangible asset model, since there are no secured payments (see point 1.3.3.2. which details the treatment of this type of concessions). The balance sheet resulting from the application of this model is shown below:

Balance sheet, December 2022

JFK (100%) Million USD	Dec. 2022
Non-current assets	5,265
Fixed assets in infrastructure projects	1,062
Port Authority	3,805
Non-current financial assets	270
Trade receivables	128
Current assets	1167
Short-term trade and other receivables	13
Cash and cash equivalents	103
Total assets	**5,381**
Equity	382
Share capital	127
Share of profit/(loss)	3
Hedging instrument impact	252
Non-current liabilities	4,954
Borrowings	1,137
Port Authority Debs	3,8
Current liabilities	59
Borrowings	54
Short-term trade and other payables	5
Total liabilities	**5,381**

The main assets and liabilities of JFK NTO are described below:

- Concessions - Payments Port Authority (USD $3,805 million), corresponds to the present value of future payments to the Port Authority, throughout the concession period, for the acquisition of the concession. Also, a liability of the same amount has been recorded corresponding to the value of future payment obligations, recorded under the financial debt caption in non-current liabilities (Debt with the Port Authority).
- Intangible Fixed Assets Infrastructure Projects (USD 1,062 millio) includes all the expenses necessary to obtain the concession contract, as well as the construction and development costs of the project. This item is financed through the credit line recorded under non-current liabilities in financial debt in the amount of USD 1,137 million, valued at amortized cost (USD 1,430 million nominal amount drawn down).
- In addition, the Company has contracted interest rate swaps (IRS) associated with the project's bank debt and future debt issuances, for a notional amount of USD 5.98 billion, considered to be efficient accounting cash flows hedges. The change in their fair value in the year has had a positive impact on the company's reserves in the amount of USD 252 million (EUR 117 million at Ferrovial's ownership interest). Non-current financial assets amounting to USD 270 million reflect the fair value of the previously mentioned hedges (IRS).

Movements in equity are primarily explained by the capital contributions under this same heading in the amount of USD 127 million and USD 252 million reflecting the impact on reserves of the change in market value of the derivative associated with the current debt since the acquisition date.

Cash flow statement for 2022

2022 (million euro)	JFK
Net cash flows from operating activities	2
Net cash flows from investing activities	-1,073
Net cash flows from financing activities	1,174
Net change in cash	**103**
Cash at beginning of the year	0
Cash at end of the year	103

Net cash flows from investing activities of USD -1,073 million relate mainly to the costs of initiating and executing the project, as well as to payments made to build the new terminal.

Cash flows from financing activities relate to collection of USD 1,136 million in borrowings, collection of USD 127 million in capital contributions from shareholders and USD 89 million in interest and fee payments capitalized as intangible assets.

3.5.4. Disclosures relating to AGS

Other equity-accounted assets include the 50% ownership interest in the company AGS, which owns Aberdeen, Glasgow and Southampton airports in the UK.

The three airports have been severely affected by Covid-19, although in 2022 passenger numbers reached 9.2 million (3.5 million in 2021), driven by the relaxation of restrictions in January and February 2022, and the lifting of all restrictions in the United Kingdom as from 18 March. Passenger numbers in 2022 represented 67.5% of the 2019 figure of 13.6 million passengers.

The consolidation of the resulting losses reduced the value of the ownership interest to zero at both December 2022 and December 2021.

The following table shows movements in the 50% equity interest in the company, along with results not consolidated because losses for the year exceeded the investment's value, relating mainly to pensions and derivatives.

2022 (million euro)	AGS (50%)
Balance at 31.12.2021 without IAS 28	**-60**
Share of profit/(loss)	-17
Derivatives	16
Pensions	-6
Other equity movements	-1
Currency translation differences	11
Balance at 31.12.2022 without IAS 28	**-57**
Profit/(loss) not consolidated under IAS 28	68
Other equity effects not consolidated under IAS 28	-50
Balance at 31.12.2022	**0**

In addition, as indicated in Note 3.6, subordinated loans for identical amounts and with the same maturity dates were granted by its shareholders (the loan from Ferrovial totals GBP 120 million (nominal amount of GBP 132 million), falls due in 2024 and does not include the provision for expected losses set aside in accordance with IFRS 9 for a cumulative amount of GBP 12 million).

Agreement to amend and extend the AGS syndicated loan

As detailed in the notes to the 2021 consolidated annual accounts, AGS closed the agreement with a syndicate of banks to amend and extend the facility agreement concluded in February 2017 in the amount of GBP 793 million (the amount of GBP 757 million having been drawn). The negotiation of a refinancing operation with the financial institutions is expected to begin in 2023 for implementation in 2024.

The Company has reassessed the recoverability of the shareholder loan, concluding that it is recoverable on the basis of projections updated to account for the refinancing agreement.

3.5.5 Consolidation of IRB

As indicated in Ferrovial's 2021 Consolidated Annual Accounts, the Group (through Cintra) acquired a 24.86% stake in the Indian listed company IRB Infrastructure Developers Ltd on 29 December 2021. The deal was completed after a preferential share issue by IRB Infrastructure Developers. The amount paid totalled EUR 369 million. The transaction price was set in accordance with applicable legislation, taking into account the average price weighted by the trading volume during the two-week period prior to the year-end.

The price of IRB's stock at 31 December (INR 227.4 per share) was above the purchase price (INR 211.8 per share).

The company's fiscal year runs from April through March. IRB's latest audited available financial statements relate to its first six months, are those of September 2022. Additionally, it has been included an estimated result for the period October-December based on the latest information published by the company. IRB contributed a profit of EUR 22 million to Ferrovial for the 12-month period.

3.5.6. Other disclosures relating to associates

a) Movements relating to the remaining associates

The associates breakdown, showing their consolidated percentage and the main data, is disclosed in Appendix II.

Movements in the ownership interests in these companies during the year are set out below:

	OTHER
Balance at December 2021	**280**
Share capital contributions	17
Share of profit/(loss)	17
Dividends	-19
Exchange differences	-3
Derivatives	100
Variations in perimeter	-111
Other	-5
BALANCE at December 2022	**276**

The balance as of December 2022 for this heading (276 million euros) corresponds mainly to the stakes that Ferrovial holds in Riverlinx Limited – Silvertown Tunnel (55 million euros), Concesionaria Madrid Calle 30 (51 million euros), Netflow OSARS (Western) (50 million euros), Zero Bypass Ltd. (20 million euros), FMM Company LLC (19 million euros), Cartera Ceres (18 million euros – see below), 407 East Development Group (15 million euros), and in A66 Benavente Zamora (17 million euros).

Regarding the movement during the year, the main impacts have been the collection of -111 million euros from the sale of the stake in Ausol, which has been offset by the favorable evolution of derivatives of Riverlinx and Zero ByPass, as well as by the incorporation of Cartera Ceres in the perimeter (see below).

Additionally, noteworthy is the contribution to the business result of maintenance and conservation of infrastructure in Spain, which has been sold during the exercise and now operates through the commercial brand Serveo (6 million euros), and of which Ferrovial has retained a 24.99% stake (see note 1.1.3), through the entity Cartera Ceres; also, relevant are Concesionaria Madrid Calle 30 (6 million euros), as well as the result in Qatar mainly from the maintenance and cleaning contract of Doha airport (FMM Company, for 6 million euros).

Dividends collected, on the other hand, correspond to the highway business for 11 million euros, and to the airports business for 8 million euros, corresponding to FMM Company.

b) Other information

There are no significant restrictions on the capacity of associates to transfer funds to the parent company in the form of dividends, debt repayments or advances, other than such restrictions as might arise from the financing agreements of those associates or from their own financial position, and there are no contingent liabilities relating to associates that might ultimately be assumed by the Group.

There are no significant companies in which the ownership interest exceeds 20% that are not equity-accounted.

The guarantees provided by Group companies to equity-accounted companies are detailed in Note 6.5.

3.6. NON-CURRENT FINANCIAL ASSETS

Set out below is a breakdown of movements at 31 December 2022:

MOVEMENTS IN 2022 (Million euro)	LONG-TERM LOANS TO ASSOCIATES	RESTRICTED CASH FROM INFRASTRUCTURE PROJECT COMPANIES AND OTHER FINANCIAL ASSETS	FINANCIAL INVESTMENTS CARRIED AT FAIR VALUE	LOANS ASSOCIATED WITH THE DIVESTMENT TRANSACTIONS	OTHER LONG-TERM RECEIVABLES	TOTAL
BALANCE AT 01/01/20	**228**	**580**	**41**	**0**	**33**	**882**
Additions	36	153	12	192	1	394
Disposals	-4	-172			-35	-211
Transfers and other			-19	-3	21	-1
Foreign exchange effect	-13	36	1	0	7	31
BALANCE AT 31/12/202	**247**	**597**	**35**	**189**	**27**	**1,095**

Note: Balances net of provisions

(*) Restated figures (Note 1.1.5).

- The item "Long-term loans to associates" relates essentially to the loans granted to AGS in the amount of GBP 120 million (EUR 136 million) (Note 3.6.1.), excluding the provision for expected losses of GBP 12 million and to other ordinary loans to associates totalling EUR 112 million (EUR 93 million in 2021).
- The item "Restricted cash from infrastructure project companies and other financial assets" relates primarily to deposits made at toll road concession operators, the use of which is limited to certain purposes established in the concession arrangement, such as payments of future investments or operating expenses and debt servicing. Specifically, the net increase of EUR 153 million relates primarily to the I-66 toll road (EUR 97.5 million) and the I-77 toll road (EUR 14 million).

  In addition, Mars NTO LLC, parent company of JFK NTO LLC, has restricted cash in the amount of 41 million euros to meet future capital increases of the project. This item is reflected in the debt recorded with the partners for the same amount, with no impact on the net cash position (Note 5.2.2).
- Decreases related mainly to NTE Mobility Partners Segments 3 LLC (EUR -143 million, mainly due to the repayment of an unused credit facility to management and payments on investments in segment 3C investments, and LBJ Infrastructure Group (EUR -25 million), mainly due to the payment of a dividend. The note on the net cash position provides details of the main balances and changes recognized in relation to this line item.
- The change in the item "Financial investments carried at fair value" is explained primarily by fair value adjustments totalling EUR -19 million, mainly Lilium amounting to EUR -8 million and EUR -7 million in the innovation assets fund called Atómico. The main cash outlay related to the acquisition of participation in the innovation assets fund called Fundamental and Energy Impact Partners for EUR 3.7 million each.
- The item "Loans associated with divestiture transactions" relates to the debt generated by the sales with deferred payment related to the sale of Amey, as discussed in note 1.1.3 and as described in section 3.6.2 of these notes to the accounts.
- Lastly, "Other receivables" includes:
  - Other trade receivables, mainly from various public authorities under long-term contracts.
  - Interests in investment funds amounting to EUR 20 million, corresponding to the investment in the Credit Suisse (Lux) Supply Chain Finance Fund, which invested in supplier invoices insured by companies with an investment grade rating (average of AA-). This fund is currently in the process of liquidation. The amount invested is regarded as recoverable, having been reclassified to the long term, expected to be recovered within more than one year.

3.6.1. Loan granted to AGS

As indicated in Note 3.5.4, Ferrovial has granted subordinated loans of GBP 132 million (EUR 149 million) to the company AGS, not including the provision for expected losses recognized under IFRS 9 which amounts to GBP 12 million (EUR 13 million). The company's other shareholder has granted loans on the same terms.

Given the impact of the COVID-19 crisis on the Company, a recoverability analysis of the loan was carried out, including expectations of the asset's future performance, the company's liquidity forecasts for the next twelve months, and the status of the bank borrowings following the agreement on the above-mentioned loan:

Future asset trends: The company owns the assets, so operations are not subject to a concession period. Accordingly, a model was prepared in which traffic is assumed to progressively recover after the lifting of all restrictions in the United Kingdom as from 18 March 2022. The assumptions in this model are consistent with forecasts of air traffic trends obtained from different sources. The model shows a total value for AGS that is above the carrying amount of the current investment.

Liquidity: The contingency plans adopted during 2021 and 2022 allowed the Company to end the year in a positive liquidity position. Projections show that the available liquidity would be sufficient to keep the business running based on estimated traffic levels.

Bank borrowings: Following the agreement in 2021 to amend and extend the loan granted by a syndicate of banks, AGS will have until June 2024 to repay it.

On the basis of the three factors analyzed, the amounts borrowed by the company are likely to be recovered, in view of the information currently available.

The above notwithstanding, an expected loss provision of GBP 1.3 million (EUR 1.4 million) was set up in accordance with IFRS 9.

3.6.2. Loans associated with the divestment transactions

As explained in Note 1.1.3 on discontinued operations, the business carried on in the United Kingdom through the subsidiary Amey was sold in 2022. The purchase consideration was received partly in cash and partly in the form of loans granted to the buyers for an overall amount of GBP 169.8 million (EUR 193.1 million), of which GBP 18 million (EUR 20.3 million) relates to the sale of the energy and water infrastructure maintenance services business to the British fund Rubicon and GBP 151.8 million (EUR 172.8 million) relates to the sale of the rest of Amey's business in the UK to a company controlled by funds managed by One Equity Partners, in association with its shareholder Buckthorn Partners.

In the final quarter of the year, Rubicon repaid GBP 2 million based on the agreed repayment schedule, so the balance stands at GBP 168 million (EUR 190.8 million) at 31 December 2022.

Following the divestment operation, the Company has assessed the recoverability of the loans, concluding that they are recoverable on the basis of the latest projections.

Movements in these line items in 2021 are set out below:

MOVEMENTS IN 2020 (Million euro)	LONG-TERM LOANS TO ASSOCIATES	RESTRICTED CASH FROM INFRASTRUCTURE PROJECT COMPANIES AND OTHER FINANCIAL ASSETS	FINANCIAL INVESTMENTS CARRIED AT FAIR VALUE	OTHER LONG-TERM RECEIVABLES	TOTAL
BALANCE AT 01/01/2021	**164**	**654**	**15**	**25**	**858**
Additions	63	17	24	14	118
Disposals	-3	-136	0	-12	-151
Transfers and other	0	0	0	0	0
Foreign exchange effect	4	45	2	6	57
Reclassification to discontinued	0	0	0	0	0
BALANCE AT 31/12/2021	**228**	**580**	**41**	**33**	**880**

3.7. RIGHT-OF-USE ASSETS AND ASSOCIATED LIABILITIES

This note describes the right-of-use assets recognized under IFRS 16 Leases and the associated liabilities.

Note 1.3.1. b) details the accounting policy affecting lease agreements. IFRS 16 affects the Group's leases in which it is the lessee.

Set out below are movements in right-of-use assets in the balance sheet:

MOVEMENTS IN 2022 (Million euro)	LAND	BUILDINGS	VEHICLES	PLANT AND MACHINERY	OFFICE EQUIPMENT AND OTHER	TOTAL
BALANCE AT 31/12/2021	**12**	**67**	**70**	**23**	**4**	**176**
Additions	6	25	21	15	3	70
Disposals	-2	-6	-8	-2	-3	-20
Transfers and other	-2	3	-8	2	1	-3
Depreciation /amortization	-1	-13	-15	-10	-2	-41
Scope changes	0	0	0	0	0	0
Foreign exchange effect	0	1	1	1	-0	3
BALANCE AT 31/12/2022	**13**	**77**	**61**	**28**	**4**	**183**

The Group primarily has lease agreements for buildings, vehicles, plant and machinery. Buildings are the most valuable right-of-use assets, relating mainly to long-term office leases.

The most significant variations in the heading relates to additions totalling EUR 70 million, of which EUR 64 million is associated with Construction Division leases (essentially in the United States, the United Kingdom and Spain).

As balancing items for rights of use in the amount of EUR 183 million, lease liabilities amount to EUR 184 million, of which EUR 64 million is carried as a long-term balance and EUR 120 million as a short-term balance.

Movements in lease liabilities under agreements in force during 2022 are set out below:

	LEASE LIABILITIES
BALANCE AT 31/12/2021	**173**
Additions under new leases	86
Associated financial expenses	12
Disposals due to payments	-72
Foreign exchange effect	1
Consolidation scope changes and other	-15
BALANCE AT 31/12/2022	**184**
Long-term lease liabilities	**64**
Short-term lease liabilities	**120**

Financial expenses associated with lease agreements amounted to EUR 12 million at 31 December 2022. Lease payments in 2022 amounted to EUR -72 million (Note 5.3).

Set out below are future maturities of lease liabilities in each business area at 31 December 2022:

	2023	2024	2025	2026	2027	2028 AND BEYOND	TOTAL
Corporation	2	2	2	3	2	11	22
Construction	52	36	20	11	6	12	137
Toll Roads	1	1	1	0	0	1	4
Airports	0	0	0	0	0	0	0
Energy and mobility infrastructures	9	5	2	1	0	3	20
TOTAL LEASE LIABILITIES	**64**	**44**	**25**	**15**	**8**	**27**	**183**

At 31 December 2022, lease expenses in the income statement amounted to EUR -256 million (EUR 236 million in 2021) and relate to the following items:

a. Expenses under agreements that meet the definition of a lease under IFRS 16 but come under one of the exceptions to applying the standard. Given the nature of the Group's business, assets are normally leased to carry out various phases of a project for periods of less than one year or are considered to have a low value (below EUR 5,000).

b. Lease expenditure that does not come under IFRS 16, basically because the leased assets are not individually identified and are easily substitutable by the supplier.

This amount covers variable payments amounting to EUR 1 million that are not included in the value of the liability.

SECTION 4: WORKING CAPITAL

This section contains the notes on Inventories (Note 4.1), Short-term trade and other receivables (Note 4.2) and Short-term trade and other payables (Note 4.3). The net balance of these items is referred to as working capital.

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Inventories	404	9	0	63	476
Short-term trade and other receivables	1,344	-10	15	260	1,609
Short-term trade and other payables	-2,813	-4	-6	-608	-3,430
TOTAL	**-1,065**	**-4**	**9**	**-285**	**-1,346**

(*) Restated figures (Note 1.1.5)

Section 4.4 contains a more detailed analysis of the balance sheet items relating to the recognition of revenue from contracts with customers in the Construction business, including the disclosures required by IFRS 15 in relation to those contracts.

4.1. INVENTORIES

Inventories break down as follows at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Goods purchased for resale	42	0	0	-17	24
Raw materials and other supplies	275	8	0	39	322
Bidding and mobilization costs	87	2	0	41	129
Inventories	**404**	**9**	**0**	**63**	**476**

(*) Restated figures (Note 1.1.5)

EUR 24 million is recognized in the balance sheet for goods purchased for resale at 31 December 2022, relating primarily to the Construction business (EUR 24 million).

EUR 322 million in raw materials and other supplies relates mainly to the Construction Division, primarily Poland activity in the amount of EUR 159 million (EUR 93 million in 2021), and its US activity in the amount of EUR 96 million (EUR 139 million in 2021).

Bidding and mobilization costs are written off systematically as the goods and services relating to the asset are transferred to customers. In 2022, EUR 11 million of bidding costs and EUR 0.4 million of mobilization costs were amortized. The increase in the year (EUR 41 million) is mainly due to the start of new construction work, most notably in Ontario.

4.2. SHORT-TERM TRADE AND OTHER RECEIVABLES

Set out below is a breakdown of this heading at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Trade receivables for sales and services	1,068	-10	9	233	1,300
Other receivables	276	0	6	27	309
TOTAL RECEIVABLES	**1,344**	**-10**	**15**	**260**	**1,609**

(*) Restated figures (Note 1.1.5)

a) Trade receivables for sales and services

Trade receivables break down as follows at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Trade receivables	809	-6	10	148	962
Bad debt provisions	-209	0	0	0	-209
Net trade receivables	**600**	**-6**	**10**	**149**	**753**
Net completed work pending certification	347	-4	-2	64	406
Retentions	122	-1	0	20	141
TRADE RECEIVABLES FOR SALES AND SERVICES	**1,068**	**-10**	**9**	**233**	**1,300**

(*) Restated figures (Note 1.1.5)

The change under the heading "Other" (EUR 233 million) is explained primarily by the increase in Construction (EUR 256 million), primarily in the US and Canada (EUR 209 million), as a result of business performance.

In addition, the scope changes during the year relate primarily to the acquisition of Dalaman Airport.

Finally, there are no balance sheet items relating to factoring agreements at 31 December 2022 or 2021.

Set out below is a breakdown of the main trade receivables by debtor type:

	CONSTRUCTION		OTHER AND ADJUSTMENTS		TOTAL	
Public sector	813	66%	90	n.a.	904	70%
Private sector	324	26%	22	n.a.	346	27%
Group companies and associates	97	8%	-47	n.a.	50	4%
TOTAL	**1,235**	**100%**	**65**	**N.A.**	**1,300**	**100%**

The Group has pre- and post-contracting measures in place to manage customer credit risk, such as consulting debtor registers, ratings or solvency studies, etc. and monitoring incidents and default, etc. while the work is in progress.

Changes to trade provisions are set out below:

(Million euro)	2022	2021 (*)
Opening balance	**209**	**211**
Amounts charged to the income statement:	-1	-3
Charges	-5	6
Reversals	4	-9
Applications	2	-1
Foreign exchange effect	0	1
Transfers and other	-1	1
Closing balance	**209**	**209**

(*) Restated figures (Note 1.1.5) from December 2021.

Group management considers that the carrying amount of trade receivables approximates fair value.

b) Other receivables

Other receivables break down as follows at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Advance payments to suppliers	50	1	0	11	61
Sundry receivables	84	-1	7	6	96
Infrastructure project receivables	2	0	0	1	3
Amounts receivable from Public Administrations	140	0	-1	9	148
OTHER RECEIVABLES	**276**	**0**	**6**	**27**	**309**

(*) Restated figures (Note 1.1.5)

The main movement under "Other receivables" relates to the item "Advance payments to suppliers", mainly in the Construction Division (EUR 9 million).

Lastly, "Amounts receivable from Public Administrations" include taxes refundable other than corporate income tax.

4.3. SHORT-TERM TRADE AND OTHER PAYABLES

Set out below is a breakdown of this heading at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Trade payables	1,544	11	-3	112	1,663
Work certified in advance	692	-4	-1	275	962
Advance payments	193	-2	10	201	402
Other non-trade payables	384	-2	1	20	403
TRADE AND OTHER PAYABLES	**2,813**	**4**	**6**	**608**	**3,430**

(*) Restated figures (Note 1.1.5)

a) Trade payables

Set out below is a breakdown of trade payables at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Trade payables	1,063	10	-3	117	1,187
Trade payables sent for reverse factoring	226	0	-1	8	234
Withholdings made from suppliers	255	2	0	-14	242
TRADE PAYABLES	**1,544**	**11**	**-3**	**112**	**1,663**

(*) Restated figures (Note 1.1.5)

Trade payables increased by EUR 120 million compared to the balance recognized at 31 December 2021. Excluding the foreign exchange effect and scope changes, trade payables grew by EUR 112 million, primarily in the Construction Division (EUR 78 million), including most notably activity in the US and Canada.

Trade payables pending payment to suppliers under reverse factoring arrangements (Note 1.3.3.3 on accounting policies) increased by EUR 8 million compared to the balance at 31 December 2021.

Group management considers that the carrying amount of trade receivables approximates fair value.

b) Obligation to disclose payments to suppliers under Additional Provision Three of Law 15/2010

In compliance with the obligation to disclose the average supplier payment period laid down by Article 539 and Additional Provision Eight of the Spanish Companies Act (in accordance with the wording of Final Provision Two of Law 31/2014 reforming the Act), the Company hereby states that the average supplier payment period for all of the Group companies registered in Spain (including discontinued operations) was 42 days.

Set out below is the breakdown required by Article 6 of the Resolution of 29 January 2016 from the Spanish Institute of Accounting and Auditing in relation to the disclosures to be provided on the average supplier payment period in 2022 and 2021:

(Days)	2022	2021
AVERAGE SUPPLIER PAYMENT PERIOD	**42**	**41**
Ratio of transactions settled	42	42
Ratio of transactions pending payment	46	36
AMOUNT (euro)		
TOTAL PAYMENTS MADE	**880,123,350**	**751,447,311**
TOTAL PAYMENTS PENDING	**42,000,761**	**20,385,897**

Ferrovial's intragroup commercial transactions are eliminated during the consolidation process, so the consolidated balance sheet shows no balances pending payment to Group companies. The information set out in the above table therefore refers solely to the Group's external suppliers. The intragroup average payment period is generally 30 days.

The average supplier payment period for discontinued operations is shown below:

(Days)	2022	2021
AVERAGE SUPPLIER PAYMENT PERIOD, DISCONTINUED OPERATIONS	**-**	**55**
Ratio of transactions settled	-	54
Ratio of transactions pending payment	-	74
AMOUNT (euro)		
TOTAL PAYMENTS MADE	**-**	**327,929,700**
TOTAL PAYMENTS PENDING	**-**	**15,764,616**

c) Law 18/2022, of September 28, on the creation and growth of companies (Third additional provision).

In accordance with the Law 18/2022, which amends Law 15/2010 regarding the breakdown of payment terms to suppliers, the monetary volume and number of invoices paid in a period of less than 60 days, and the percentage they represent of the total number of invoices and of the total monetary payments to its suppliers are reported:

Million euro

2022					
TOTAL AMOUNT OF PAID INVOICES	**INVOICES ON TIME**	**% INVOICES TERM**	**TOTAL NO. INVOICES**	**TOTAL NO. INVOICES ON TIME**	**% NUM. INVOICES ON TIME**
880	726	82%	0,20	0,20	80%

d) Work certified in advance and advance payments from customers

This heading includes:

- Work certified in advance (see definition in Notes 4.4 and 1.2.3.4) increased by EUR 275 million against December 2021 (excluding the foreign exchange effect and scope changes), primarily in the US and Canada, relating particularly to the Ontario Metro project (EUR 142 million).
- The balance of advance payments from customers (see definition in point 4.4) rose by EUR 201 million in relation to December 2021, mainly in the US and Canada as a result of advance payments for the Ontario Metro project (EUR 105 million).

e) Other non-trade payables

"Other non-trade payables" break down as follows:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Accrued wages and salaries	168	0	0	22	190
Taxes payable	147	-2	-2	29	173
Other payables	69	0	2	-30	41
OTHER NON-TRADE PAYABLES	**384**	**-2**	**1**	**20**	**403**

(*) Restated figures (Note 1.1.5)

4.4. BALANCES FROM CONTRACTS WITH CUSTOMERS AND OTHER DISCLOSURES RELATING TO IFRS 15

Information on the balance sheet relating to IFRS 15

As indicated in Note 1.3.3.4 in relation to the policy for recognizing contract revenue (IFRS 15), for contracts in which the performance obligations are measured over time, the difference between the revenues recognized for services rendered and the amounts actually billed to the customer are systematically analyzed on a contract-by-contract basis.

If the amount billed is lower than the revenue recognized, the difference is recognized as an asset under "Trade receivables for sales and services - Completed work pending certification" (Note 4.2.a), whereas if the revenue recognized is lower than the amount billed, a liability is recognized under "Short-term trade and other payables - Work certified in advance" (Note 4.3).

For certain construction contracts, advances are agreed, paid by the customer at contract inception and offset against progress billings as the works are executed.

These balances are carried on the liabilities side of the balance sheet under the heading "Trade payables" (Note 4.3.a).

In contrast to the advance payments, under some contracts the customer retains a portion of the payment of each progress billing to guarantee certain contractual obligations are met, which is not reimbursed until the contract is definitively settled. These balances are carried on the assets side of the balance sheet under "Trade receivables for sales and services" (Note 4.2.a).

Unlike completed work pending certification and work certified in advance, advances and retentions are balances that will have an impact on future cash flows, since in the case of the advances a lower amount will be collected in the future as the advances are discounted from the progress billings, whereas the retentions will give rise to higher collections in the future, since the customer will reimburse the related amounts as and when the contract work is settled.

Set out below is a breakdown of the amounts recognized in this connection at 31 December 2022 and 2021:

Million euro	2021 (*)	Exchange rate	Consolidation scope changes	Other	2022
Completed work pending certification	347	-4	-2	64	406
Retentions	119	-1	2	20	141
Total customer contract assets	**466**	**-5**	**0**	**84**	**547**
Work certified in advance	692	-4	0	275	962
Advance payments	193	-2	10	201	402
Total customer contract liabilities	**885**	**-6**	**9**	**476**	**1,364**

(*) Restated figures (Note 1.1.5)

The balance of work completed pending certification at 31 December 2022 relates almost entirely to revenue under the main contract with the customer since, according to the Group's general policy, only work that is due and payable, i.e. has been approved by the customer, may be recognized in the accounts. Claims only include cases in which it is deemed highly likely that there will be no reversal of revenue in the future. In general, performance obligations in the construction business are fulfilled over time. Therefore, as the amounts relating to changes and claims are immaterial under the completed work pending certification heading, the balance relates basically to differences between work completed and work certified due to timing differences in the customer certification and review process, billing milestones or certification schedule.

Other disclosures relating to IFRS 15:

Revenue from contracts with customers:

EUR 7,385 million of the total revenue recognized in 2022 (Note 2.1 Operating income) relates to revenue from contracts with customers, which accounts for 97.8% of revenue recognized.

(Million euro)	2022
Construction	6,287
Toll Roads	765
Airports	5
Other segments	328
Revenue from contracts with customers	**7,385**

Revenue pending recognition in relation to performance obligations not satisfied at the year-end is equivalent to the order book (see definition in the Alternative Performance Measures section of the Management report).

The table below contains a breakdown of this figure by business area and includes an estimate of the years in which it is expected to be recognized as revenue.

REVENUE	2023	2024	2025	2026	2027 and beyond	TOTAL
Construction	5,366	3,934	2,778	1,324	1,341	14,743
UK Waste Treatment (Thalia)	170	146	111	88	615	1,130
Total	**5,536**	**4,080**	**2,889**	**1,412**	**1,956**	**15,873**

There are a total of 1,159 contracts in force in the Construction businesses, as well as 29 Energy and mobility infrastructures contracts.

SECTION 5: CAPITAL AND FINANCING STRUCTURE

The notes in this section describe trends in Ferrovial's financial structure, addressing both changes in equity (Note 5.1) and consolidated net debt (Note 5.2) (cash and cash equivalents net of financial debt, bank borrowings and debt securities), broken down by project company and ex-project company. They also describe the Group's exposure to the main financial risks and risk management policies (Note 5.4), as well as derivatives contracted for such purposes (Note 5.5).

Equity (Note 5.1) attributed to shareholders increased in relation to the previous year, due essentially to the change in the value of the interest rate hedge recognized in equity and the profit/(loss) for the year partially offset by the shareholder remuneration.

EQUITY ATTRIBUTED TO SHAREHOLDERS

(Million euro)

CLOSING BALANCE AT 31/12/2021 (*)	**4,039**
Net profit/(loss)	186
Income and expense recognized directly in equity	391
Amounts transferred to the income statement	131
Shareholder remuneration	-578
Scope changes	-88
Other	32
Closing balance at 31/12/2022	**4,113**

(*) Restated figures (Note 1.1.5)

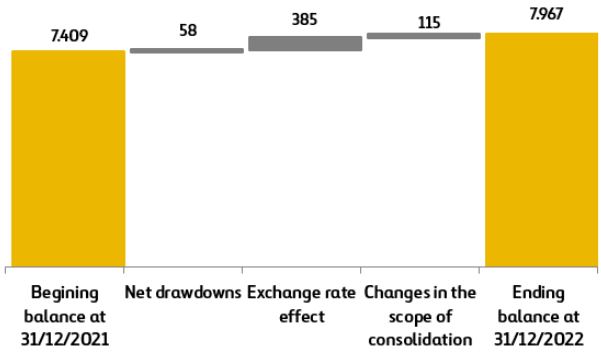
Ferrovial's ex-infrastructure projects net consolidated cash (Note 5.2), including discontinued operations, amounted to EUR 1,439 million (EUR 2,182 million in 2021).

The decline during the year is explained by cash flows (Note 5.3), which do include movements in discontinued operations and the cash outflow caused by divestment. The main movements relate to investments made during the year totalling EUR 856 million (mainly the Dalaman Airport acquisition and investments in the I-66 and I-77 toll roads) and to shareholder remuneration (EUR 578 million), which were offset by divestments totalling EUR 429 million and a dividend received from the infrastructure project companies (EUR 475 million).

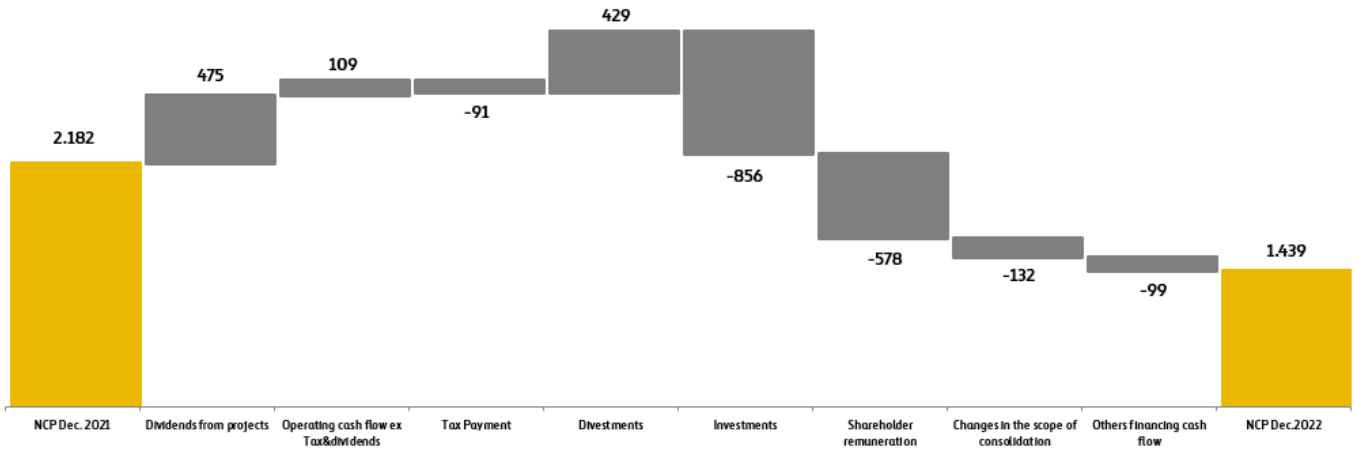
This positive net cash position still provides a considerable cushion allowing the Company to continue to fulfil its investment grade rating objective, for which a ratio of ex-infrastructure project net debt (gross debt less cash) over project EBITDA plus dividends of no more than 2x is considered to be a relevant metric. Ferrovial's current rating stands at BBB.

As regards gross project debt, the variation on the previous year (EUR 7,967 million in December 2022 v. EUR 7,409 million in December 2021) is due primarily to the foreign exchange effect (EUR 385 million) and the effect of scope changes relating to the debt consolidated following the Dalaman Airport acquisition (EUR 115 million).

BORROWINGS OF INFRAESTRUCTURE PROJECTS



NET CASH POSITION EX INFRAESTRUCTURES PROJECT



5.1. EQUITY

5.1.1 Changes in equity

There follows a breakdown of the main equity impacts in 2022, net of taxes, which explain the changes in equity from December 2022 to December 2021:

	Attributed to shareholders	Attributed to non-controlling interests	Total equity
Equity at 31.12.2021 (*)	**4,039**	**1,790**	**5,829**
Equity at 01.01.2022	**4,039**	**1,790**	**5,829**
Consolidated profit/(loss) for the year	186	116	302
Impact on hedge reserves	348	-15	333
Impact on defined benefit plan reserves (**)	0	0	0
Currency translation differences	43	80	123
Income and expense recognized directly in equity	391	65	456
Amounts transferred to the income statement	131	0	131
TOTAL RECOGNIZED INCOME AND EXPENSES	**708**	**181**	**889**
Scrip dividend/other dividends	-132	-160	-292
Treasury share transactions	-446	0	-446
SHAREHOLDER REMUNERATION	**-578**	**-160**	**-738**
Share capital increases/reductions	0	356	356
Share-based remuneration scheme	0	0	0
Hybrid bond	-8	0	-8
Scope changes	-88	67	-21
Other movements	40	7	47
OTHER TRANSACTIONS	**-56**	**430**	**374**
Equity at 31.12.2022	**4,113**	**2,241**	**6,354**

(*) Restated figures (Note 1.1.5)

(**) Pursuant to the amendment to IAS 1 Presentation of financial statements, the effect of defined benefit plans on reserves is the only item of income and expense recognized directly in equity that cannot subsequently be reclassified to profit or loss.

There follows a description of the main movements in shareholders' funds in 2022, which gave rise to an increase of EUR 74 million in equity attributable to shareholders.

Consolidated profit/(loss) for the year attributed to the parent company totalled EUR 186 million.

Income and expense recognized directly in equity relate to:

- Hedging instruments: Recognition of the changes in value of the effective portion of derivatives designated as hedges, as analyzed in Note 5.5, the positive impact of which was EUR 348 million, of which EUR 187 million relates to fully consolidated companies and EUR 161 million to equity-accounted companies.
- Currency translation differences: the currencies to which Ferrovial is most exposed in terms of equity (mainly the Canadian dollar, US dollar, pound sterling and Indian rupee), as detailed in Note 5.4, gave rise to currency translation differences of EUR 43 million attributed to the parent company, so that the appreciation of the Canadian dollar (EUR 29 million) and US dollar (EUR 59 million) against the euro has been partially offset by the depreciation of the pound sterling (EUR -23 million) and the Indian rupee (EUR -18 million) against the euro. These translation differences are presented net of the effect of foreign currency hedging instruments arranged by the Group (Note 5.5).

Amounts transferred to the income statement:

This reflects the impact of the reclassification from shareholders' funds to results (under IAS 21) of the amounts accumulated in equity in respect of currency translation differences and the derivatives for hedging divestment transactions and acquisitions, as mentioned in Note 1.1.4, with a special focus on derivatives hedging the borrowings of the Infrastructure Services business in Spain (EUR 7 million net of taxes), as well as the currency translation differences and debt hedging derivatives relating to the Amey business in the UK in the amounts of EUR 156 million and EUR 15 million respectively.

The aforementioned amounts are partially offset by the reclassification to the income statement of the impact accumulated in reserves of the pre-hedge arranged for Ferrovial S.A.'s bond issue planned for 2022, which did not go ahead, in the amount of EUR -46 million after tax (positive impact on the income statements), as indicated in Note 5.5.

Shareholder remuneration:

- Scrip Dividend: For the ninth successive year, Ferrovial, S.A.'s Annual General Meeting held on 7 April 2022 approved a flexible shareholder remuneration scheme whereby the shareholders may freely choose to receive new bonus shares in a capital increase charged to reserves or an amount in cash by transferring to the Company (if they have not already done so in the market) the free allotment rights to the shares held. As a result, two share capital increases were completed in 2022 as follows:
  - In May 2022, 3,968,559 new shares were issued and charged to reserves at a par value of EUR 0.20 per share, entailing a share capital increase of EUR 0.8 million (no impact on cash), and free allotment rights were purchased in the amount of EUR 108 million, representing a price per share of EUR 0.28.
  - In November 2022, 12,116,333 new shares were issued and charged to reserves at a par value of EUR 0.20 per share, entailing a share capital increase of EUR 2.4 million (no impact on cash), and free allotment rights were purchased in the amount of EUR 24 million, representing a price per share of EUR 0.41.
- The cash flow impact of shareholder remuneration in 2022 amounted to EUR 578 million (Note 5.3).

Share-based remuneration schemes:

In 2022, a total of 315,000 shares were acquired, representing 0.043% of Ferrovial's share capital, for subsequent delivery, together with a part of the treasury shares recognized at the beginning of the year, under share-based remuneration schemes. The total acquisition cost of the shares was EUR 7.7 million and there was no equity effect since the effect of settling the plan falling due during the year is offset by the reversal of the provision recognized so as to reflect the degree of fulfilment of the plan that matures in 2023.

As explained in Note 5.5, the Company has arranged equity swaps to hedge the possible equity effect of the exercise of these share-based remuneration schemes. The equity swaps have a fair value effect of EUR -9 million on net financial income/(expense).

Subordinated hybrid bond:

The movement for the year reflects the costs associated with this equity instrument described in Note 5.1.2 d) below, equating to a negative impact of EUR -8 million in 2022.

Scope changes relate to the following transactions:

This is due to the purchase of 7.135% of the I-77 Mobility Partners LLC toll road (Note 1.1.4). In accordance with IFRS 3, and since the company was already fully consolidated, the difference between the price paid and the book value of the acquired stake is recorded against the reserves of the parent company (EUR -88 million) and by reducing the amount of minority interests (EUR -15 million).

5.1.2 Equity components

There follows an explanation of each equity item reflected in the consolidated statement of changes in equity:

a) Share capital

At 31 December 2022, share capital stood at EUR 145,488,652.20 and was fully subscribed and paid up. Share capital consists of 727,443,261 ordinary shares in a single class with a par value of twenty-euro cents (EUR 0.20) each. Movements during the year, broken down in the following table, relate to the share capital increase and reduction transactions mentioned in the preceding section.

SHARES	NUMBER	PAR VALUE
Opening balance	733,602,481	146,720,496
Scrip dividend	16,084,892	3,216,978
Share capital reduction	-22,244,112	-4,448,822
CLOSING SHARES	**727,443,261**	**145,488,652**

At 31 December 2022, the only company with an ownership interest of over 10% is Rijn Capital BV, which holds 20.42% of the shares and is controlled by the Chair of the Company's Board of Directors, Rafael del Pino y Calvo Sotelo.

The parent company's shares are traded on the Spanish Electronic Trading System (SIBE) and on the Spanish stock exchanges; they all carry the same voting and dividend rights.

b) Share premium and merger premium

The reduction in the share premium and merger premium, which arose in 2009 as a result of the merger of Grupo Ferrovial, S.A. with Cintra Concesiones de Infraestructuras de Transporte, S.A. (currently Ferrovial, S.A.), in relation to the previous year is explained by the redemption of treasury shares agreed in the Buy-Back Programme explained in the following section. Consequently, at 31 December 2022 there is no share premium or merger premium (EUR 218 million in 2021). They are both classed as unrestricted reserves.

c) Treasury shares

At 31 December 2021, 5,072,018 treasury shares were held. Movements during 2022 were as follows:

TRANSACTION COMPLETED/PURPOSE	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES APPLIED TO PURPOSE	TOTAL NUMBER OF SHARES
Balance at 31.12.2021			**5,072,018**
Share capital reduction	17,912,899	-22,244,112	-4,331,213
Remuneration schemes	315,000	-338,815	-23,815
Shares received - scrip dividend	451,300	0	451,300
Balance at 31.12.2022			**1,168,290**

Ferrovial, S.A.'s Annual General Meeting held on 7 April 2022 approved a treasury share buy-back programme for a maximum amount of up to 34 million shares and for a maximum amount of EUR 500 million, the purpose of which was a subsequent capital reduction by redeeming the shares. Over the course of 2022, 17,912,899 treasury shares were acquired at an average price of EUR 24.83 per share, giving rise to a payment totalling EUR 445 million. Subsequently, share capital was reduced by 22,244,112 shares, entailing a share capital reduction of EUR 4.4 million and an impact of EUR 543 million reflecting the redemption of treasury shares, which is recognized against unrestricted reserves (merger premium) in the amount of EUR 218 million and against other reserves in the amount of EUR 321 million, due to the difference between the par value and acquisition price of the redeemed shares.

The market value of the treasury shares held by Ferrovial at 31 December 2022 (1,168,290 shares) was EUR 29 million.

d) Other equity instruments

Through the subsidiary Ferrovial Netherlands BV, the Group completed a subordinated perpetual bond issue in 2017 for a nominal amount of EUR 500 million, accruing an annual coupon of 2.124% to the first recalculation date (May 2023), which was guaranteed by Ferrovial, S.A. Following this first recalculation date, the coupon will be changed to a rate equivalent to adding 2.127% (step-up of 25 basis points on the 2017 year-end spread) to the 5-year swap rate in force at that time. The swap rate will be adjusted to the 5-year rate every 5 years as from May 2023. In 2043, the spread added to the 5-year swap rate at that time will be increased to 2.877% (step-up of 75 basis points on the 2023 spread).

These bonds may be redeemed for the first time, at the issuer's discretion, after five and a half years as from the date of issue (from 14 February 2023 to 14 May 2023 inclusive), and subsequently on each coupon payment date. Ferrovial also has the right to defer payment of the coupons and payment cannot be demanded by the holders.

As mentioned in Note 1.3.3.3, when it is the issuer that has the right to decide on both the repayment of principal and the possibility of deferring payment of the bond coupons, the instrument is recognized in equity.

These subordinated perpetual bonds are therefore carried under "Other equity instruments". The costs of the bond issue and the accrued interest and coupon payment, for a cumulative amount of EUR -44 million (EUR -8 million accrued in the current financial year), are recognized in "Reserves" and treated in a similar way to dividends.

Whether or not this type of instrument is treated as shareholders' funds from an accounting standpoint, when analyzing the Group's indebtedness, the rating agencies regard the hybrid bond issue fully or partially as debt and/or partially as equity, depending on the specific approach adopted in each case.

e) Measurement adjustments

"Measurement adjustments" in the consolidated statement of changes in equity comprise adjustments to currency translation differences accumulated in reserves (EUR -322 million), pension plans (EUR -455 million) and derivatives (EUR -1 million), for a balance of EUR -778 million at 31 December 2022.

As regards the requirements of IAS 1 in relation to the disclosure of "income and expenses recognized directly in equity", it is important to note that the only items that may not be transferred to the income statement in a future period under accounting legislation are those related to pension plans.

f) Retained earnings and other reserves

This heading includes retained earnings and other reserves totalling EUR 4,264 million (EUR 4,591 million in 2021). Other reserves include the parent company's restricted reserves, mainly comprising the legal reserve of EUR 30 million.

Adjustments relating to share-based remuneration schemes and the impact of the subordinated perpetual bond coupons and associated costs are also recognized under this heading.

g) Proposed distribution of 2022 profit/(loss)

The Company posted a profit for the year of EUR 961,401,669.

The Board of Directors will propose to the Company's Annual General Meeting the following distribution of FERROVIAL, S.A.'s individual profit/(loss):

	2022
Profit/(loss) of FERROVIAL, S.A. (individual company)	961,401,668.98
Distribution (euro):	
To voluntary reserves	908,006,282.34
To prior-year losses	53,395,386.64

The legal reserve is fully funded.

h) Non-group companies with significant ownership interests in subsidiaries

At 31 December 2022, the non-controlling interests in the share capital of the most significant fully-consolidated Group companies were as follows:

FERROVIAL GROUP SUBSIDIARY	NON-GROUP %	NON-GROUP SHAREHOLDER
TOLL ROADS		
Autopista Terrassa-Manresa, S.A.	23.72%	Acesa (Autopista Concesionaria Española, S.A.)
LBJ Infrastructure Group Holding LLC	28.33%-17.07%	LBJ Blocker (APG)- Meridiam Infr. S.a.r.l. (MI LBJ)
NTE Mobility Partners Holding LLC	37.03%	Meridiam Infrastrucuture S.a.r.l.
NTE Mobility Partners SEG 3 Holding LLC	28.84%-17.49%	NTE Segments 3 Blocker, Inc. (APG) - Meridiam Infrastructure NTE 3A/3B LLC
I-77 Mobility Partners, LLC	24.58%-3.18%	John Laing I-77 Holco Corp./Aberdeen Infr. Invest.
I-66 Mobility Partners, LLC	29.75%-14.55%	Meridiam Infrastrucuture S.a.r.l. - I-66 Blocker (APG)
CONSTRUCTION		
Budimex S.A.	9.8%-6.3%-33.8%	AVIVA OFE Aviva BZ WBK-Nationale Nederlanden OFE (listed on stock exchange)
AIRPORTS		
Dalaman	40.00%	YDA Group

The financial highlights of the most significant Group companies in which there are non-controlling interests are as follows (data on 100% terms):

2022 (Million euro)	ASSETS	LIABILITIES	SHAREHOLDERS' FUNDS	NCP	NET PROFIT/(LOSS)
Terrassa Manresa toll road	576	180	396	13	-60
LBJ Infrastructure Group	2,168	2,363	-195	-1,887	10
NTE Mobility Partners	1,716	1,692	24	-1,142	79
NTE Mobility Partners Segments 3 LLC	2,327	1,719	608	-1,152	38
I-77 Mobility Partners LLC	753	522	231	-240	12
I-66 Mobility Partners LLC	5,804	2,177	3,627	-1,536	-12
Budimex	1,668	1,343	325	673	57
Dalman	704	452	252	-103	13

The main movements under "Equity attributable to non-controlling interests" in 2022 were as follows:

Company	Balance at 31.12.2021 (*)	Profit/(loss)	Derivatives	Currency translation differences	Dividends	Share capital increase	Other movements	Balance at 31.12.2022
Terrassa Manresa toll road	147	-19	-21	0	-13	0	0	94
LBJ Infrastructure Group	-68	9	0	-4	-26	0	0	-89
NTE Mobility Partners	11	47	0	1	-54	0	4	9
NTE Mobility Partners Segments 3 LLC	196	33	0	11	0	39	3	282
I-77 Mobility Partners LLC	70	6	0	3	0	0	-15	64
I-66 Mobility Partners LLC	1,288	-10	0	76	0	256	0	1,610
FAM Construction LLC (I-66)	-59	-26	0	-4	0	61	0	-28
Budimex	202	60	0	-3	-67	0	0	192
Dalaman	0	8	3	0	0	0	82	94
Other	3	8	3	0	0	0	-1	13
TOTAL	**1,790**	**116**	**-15**	**80**	**-160**	**356**	**74**	**2,241**

(*) Restated figures (Note 1.1.5)

The heading "Capital increases" reflects the impact of the increase in funds attributable to non-controlling interests of the toll roads I-66 Mobility Partners LLC, FAM Construction LLC (I-66) and the NTE Segment 3 toll road, amounting to EUR 256 million, EUR 61 million and EUR 39 million, respectively.

The heading "Other movements" primarily reflects the effect of EUR 83 million associated with the consolidation of the 60% ownership interest in Dalaman International Airport and EUR -15 million relating to the I-77 Mobility Partners LLCC toll road as a result of the purchase of an additional 7.135% by the Group (Note 1.1.4).

5.2. CONSOLIDATED NET DEBT

In order to present an analysis of the Group's net debt position, the following table contains a breakdown of the net cash position, distinguishing between infrastructure project companies and the other companies. The net cash position is understood to be the balance of the items included in cash and cash equivalents, plus long-term restricted cash of infrastructure project companies and other short-term financial assets, minus borrowings (short- and long-term bank borrowings and debt securities).

The net cash position also includes forwards totalling EUR 151 million and maturity under 3 months that hedge the cash held by the Group in Australian and Canadian dollars, as well as cross-currency swaps, valued at EUR -5 million and associated with the borrowings and cash denominated in US dollars. The derivatives are accounted for in this way because they relate entirely to the borrowings/cash, netting the related foreign exchange effect.

Continuing and discontinued operations (million euro)	Bank borrowings/bonds	Cross-currency swaps	Cash and cash equivalents	Forwards	Long-term restricted cash	Net borrowing position	Intragroup position	Total
								31/12/2022
Ex-infrastructur	-3,686	-5	4,962	151	41	1,463	-25	1,439
Infrastructure project	-7,967	0	168	0	556	-7,244	25	-7,219
Total net cash position	**-11,653**	**-5**	**5,130**	**151**	**597**	**-5,781**	**0**	**-5,781**

Continuing and discontinued operations (million euro)	Bank borrowings/bonds	Cross-currency swaps	Cash and cash equivalents	Forwards	Long-term restricted cash	Net borrowing position	Intragroup position	Total
								31/12/2021
Ex-infrastructur	-3,202	-9	5,452	-22	0	2,219	-37	2,182
Infrastructure project	-7,463	0	214	0	579	-6,671	37	-6,633
Total net cash position	**-10,665**	**-9**	**5,666**	**-22**	**579**	**-4,451**	**0**	**-4,451**

Restated figures (Note 1.1.5) from December 2021.

The net cash position ex-infrastructure projects amounted to EUR 1,439 million at December 2022 compared to EUR 2,182 at December 2021, a change of EUR -743 million (including discontinued operations in 2021). The net cash position of infrastructure projects varied by EUR -586 million, changing from EUR -6,633 million in December 2021 to EUR -7,219 million in December 2022 (including discontinued operations in 2021). A more detailed analysis of this position is included in Note 5.3 on cash flows, and in the Management Report issued together with these Consolidated Annual Accounts.

As explained in Note 1.1.3, in 2022 the divestment of the Services Division was completed and the decision was made to treat the division's Chilean mining industry operation and maintenance services business as a continuing operation, within the Group's Energy and Mobility Division. For this reason, the net cash position of continuing and discontinued operations did not change in 2022. However, for comparative purposes, the 2021 net cash position presented does not include discontinued operations.

Continuing operations (million euro)	Bank borrowings/bonds	Cross-currency swaps	Cash and cash equivalents	Forwards	Long-term restricted cash	Net borrowing position	Intragroup position	Total
								31/12/2021
Ex-infrastructure	-3,201	-9	5,340	-22	0	2,109	-37	2,071
Infrastructure project	-7,409	0	207	0	579	-6,623	37	-6,586
Total net cash position	**-10,610**	**-9**	**5,547**	**-22**	**579**	**-4,515**	**0**	**-4,515**

Restated figures (Note 1.1.5) from December 2021.

						Change		
Continuing operations (million euro)	Bank borrowings/bonds	Cross-currency swaps	Cash and cash equivalents	Forwards	Long-term restricted cash	Net borrowing position	Intragroup position	Total
Ex-infrastructur	-485	4	-378	173	41	-646	12	-634
Infrastructure project	-558	0	-40	0	-23	-621	-12	-633
Total net cash position	**-1,043**	**4**	**-418**	**173**	**18**	**-1,267**	**0**	**-1,267**

A breakdown of discontinued operations is also included below for the comparative period:

			31.12.2021
Discontinued operations (million euro)	Bank borrowings/ bonds	Cash and cash equivalents	Net borrowing position
Ex-infrastructure project companies	-1	112	111
Infrastructure project companies	-54	7	-47
Total net cash position	**-55**	**118**	**63**

5.2.1. Infrastructure project companies

a) Cash and cash equivalents and restricted cash

Infrastructure project financing agreements occasionally impose the obligation to arrange certain restricted accounts to cover short-term or long-term obligations relating to the payment of the principal or interest on borrowings and to infrastructure maintenance and operation.

Restricted cash is classified as short-term or long-term depending on whether it must remain restricted for less than or more than one year. In any event, these funds are invested in highly-liquid financial products earning floating interest. The type of financial product in which the funds may be invested is also restricted by the financing agreements or, where no restrictions are stipulated, the decision is made on the basis of the Group's policy for the placement of cash surpluses.

Short-term balances, which amount to EUR 38 million (EUR 47 million at 31 December 2021), are recognized under cash and cash equivalents in the balance sheet, whereas long-term balances totalling EUR 556 million (EUR 579 million at 31 December 2021) are carried as financial assets. Therefore, short- and long-term restricted cash recognized at 31 December 2022 amounts to EUR 594 million and relates to the NTE Segment 3, LBJ, I-77, I-66 and NTE toll roads (EUR 401 million, EUR 2 million, EUR 40 million, EUR 110 million and EUR 3 million, respectively), as well as to other European concessions in the amount of EUR 37 million, primarily treatment plants in the United Kingdom, the Aragón toll road and other European Toll Roads (EUR 14 million, EUR 14 million and EUR 9 million, respectively). The variation of EUR -32 million compared with December 2021 is explained by:

- A net decrease in the restricted cash amount of EUR -68 million (excluding exchange rate effects), essentially from the NTE Segment 3 toll road (EUR -144 million) and LBJ (EUR -25 million), which was partially offset with an increase of EUR 97 million at the I-66 toll road.
- The exchange rate effect amounted to EUR 36 million, caused mainly by US dollar fluctuations (Note 1.3).

Other cash and cash equivalents relate to bank accounts and highly-liquid investments subject to interest rate risk.

b) Infrastructure project company borrowings

b.1) Breakdown by project, significant changes during the year and main features of the borrowings

There follows is a breakdown of borrowings by project, distinguishing between bonds and bank borrowings, short- and long-term, and changes during the year.

	31.12.2022			Change 22/21		
(Million euro)	Bonds	Bank borrowings	Total	Bonds	Bank borrowings	Total
Long term	**4,123**	**3,770**	**7,893**	**233**	**298**	**531**
Toll roads	**4,123**	**3,361**	**7.484**	**233**	**170**	**403**
US toll roads	4,123	2,438	6,561	233	201	434
Spanish toll roads	0	626	626	0	-6	-6
Portuguese toll roads	0	264	264	0	-13	-13
Other concessions	0	33	33	0	-12	-12
Airports	**0**	**95**	**95**	**0**	**95**	**95**
Construction	**0**	**95**	**95**	**0**	**2**	**2**
Energy and mobility infrastructures	**0**	**219**	**219**	**0**	**32**	**32**
Short term	**0**	**74**	**74**	**-1**	**28**	**27**
Toll roads	**0**	**43**	**43**	**-1**	**3**	**2**
US toll roads	0	0	0	-1	0	-1
Spanish toll roads	0	13	13	0	2	2
Portuguese toll roads	0	17	17	0	3	3
Other concessions	0	13	13	0	-2	-2
Energy and mobility infrastructures	**0**	**9**	**9**	**0**	**6**	**6**
Construction	**0**	**4**	**4**	**0**	**1**	**1**
Airports	**0**	**18**	**18**	**0**	**18**	**18**
TOTAL	**4,123**	**3,844**	**7,967**	**232**	**326**	**558**

		31.12.2021	
(Million euro)	Bonds	Bank borrowings	Total
Long term	**3,890**	**3,472**	**7,362**
Toll roads	**3,890**	**3,191**	**7,081**
US toll roads	3,890	2,237	6,127
Spanish toll roads	0	632	632
Portuguese toll roads	0	277	277
Other concessions	0	45	45
Airports	**0**	**0**	**0**
Construction	**0**	**93**	**93**
Energy and mobility infrastructures	**0**	**187**	**187**
Short term	**1**	**46**	**47**
Toll roads	**1**	**40**	**41**
US toll roads	1	0	1
Spanish toll roads	0	11	11
Portuguese toll roads	0	14	14
Other concessions	0	15	15
Energy and mobility infrastructures	**0**	**3**	**3**
Construction	**0**	**3**	**3**
Airports	**0**	**0**	**0**
TOTAL	**3,892**	**3,517**	**7,409**

The following table shows movements in gross infrastructure project borrowings, broken down into variations in borrowings with balancing entries in cash flows, exchange rate effects and scope changes, as well as movements in borrowings due to the accrual of interest, which do not affect period cash positions.

(Million euro)	Dec. 2021	Increase/decrease with impact on cash flow	Foreign exchange effect	Impact of consolidation scope changes and other	Capitalized/accrued interest	Dec. 2022
Gross borrowing position, project	**7,409**	**12**	**385**	**115**	**46**	**7,967**

Infrastructure project borrowings increased by EUR 558 million with respect to December 2021 for the following main reasons:

- Effect of scope changes due to the consolidation of the Dalaman International Airport debt following the acquisition of 60% of the voting shares (Note 1.1.4) totalling EUR 115 million.
- Exchange rate effect amounting to EUR 385 million, mainly due to the depreciation of the euro against the US dollar.
- Increase of EUR 58 million in debt, excluding the foreign exchange effect and scope changes, with respect to year-end 2021, relating primarily to the US projects and attributable to the capitalization of interest and to accrued unmatured interest.

US toll roads:

NTE Mobility Partners, LLC

The debt comprises a USD 871.1 million taxable bond issue maturing in 2049 at a fixed interest rate of 3.92% and a USD 331.8 million issue of PABs (Private Activity Bonds) (total of USD 400 million including the premium) at a fixed interest rate of 4.00% on USD 122.8 million and 5.00% on USD 209.1 million, repayable from 2030 to 2039.

NTE Mobility Partners Seg 3 LLC

The borrowings for the 3A-3B segments entailed issuing USD 274 million in Private Activity Bonds (PABs) maturing at 25 and 30 years (7.00% fixed interest on USD 128.3 million and 6.75% fixed interest on USD 145.7 million), and a TIFIA loan of USD 531 million bearing a fixed rate of 3.84%, against which USD 666.5 million had been drawn down at 31 December 2022 (USD 531 million of principal and USD 135.5 million of interest added to the principal), finally maturing in 2053.

The 3C segment debt comprises a USD 653.9 million issue of PABs (Private Activity Bonds) (total of USD 750 million including the issue premium) repayable from 2047 to 2058, at a fixed interest rate of 5.00%.

LBJ Infr. Group LLC

The debt structure comprises a USD 537.5 million issue of PABs (Private Activity Bonds) (total of USD 615 million including the premium) at a fixed interest rate of 4.00%, repayable from 2030 to 2040; and a USD 615.5 million taxable bond issue (of which USD 7 million accrues a fixed interest rate of 2.75% and falls due in 2026, and USD 608.5 million accrues fixed interest of 3.80% and falls due in 2057).

It also has a TIFIA loan granted by the US Federal Government, the value of which at 31 December 2022 is USD 835.6 million with a repayment profile from 2035 to 2050, which bears interest at a fixed rate of 4.22%.

A credit line was arranged in December 2022 for future CAPEX investments. It falls due in 2027, has a limit of USD 72.65 million and accrues fixed interest of 4.51% but was not utilized in 2022.

I-77 Mobility Partners, LLC

This concession operator is financed through a USD 100 million issue of PABs (5.00% fixed interest), of which USD 6.9 million have final maturities between 2026 and 2030, USD 13.1 million has a final maturity in 2037 and EUR 80 million has a final maturity in 2054.

It also has a TIFIA loan of USD 189 million against which USD 220.9 million had been drawn down at 31 December 2022 (USD 189 million of principal and USD 31.9 million of capitalized interest). This loan bears interest at a fixed rate of 3.04% and finally matures in 2053.

I-66 Mobility Partners, LLC

The concession operator is funded by a USD 737 million PAB (Private Activity Bonds) issue (total of USD 800.4 million including the premium) at a fixed rate of 5.00%, of which USD 30.9 million falls due in 2047, USD 130.9 million in 2049, USD 222.4 million in 2052 and USD 352.8 million in 2056.

It also has a TIFIA loan of USD 1,229 million against which USD 1,349.4 million had been drawn down at 31 December 2022 (USD 1,229.1 million of principal and USD 120.3 million of capitalized interest). This loan bears interest at a fixed rate of 2.80% and finally matures in 2057.

Spanish toll roads:

Cintra Inversora Autopistas de Cataluña (A. Terrasa Manresa)

The company is funded by a loan consisting of tranche A and tranche B with limits of EUR 300 million and EUR 316 million, respectively, both of which accrue interest at the 6-month EURIBOR rate +0.225% +1.50% at the year-end. Both tranches were fully utilized and fall due in 2035. The respective balances at 31 December 2022 are EUR 289.5 million and EUR 304.9 million. The debt also includes a liquidity tranche (tranche C) with a balance of EUR 41.5 million at 31 December 2022, drawable up to a maximum of EUR 25 million (the year-end interest rate is the 6-month EURIBOR +0.225% +1.50%). It should also be noted that this company has a derivative with a notional amount of EUR 580.7 million, a guaranteed interest rate of 5.278% and maturity in 2035. The fair value of the derivative (recognized under "Derivative financial instruments", Note 5.5) was EUR -63.2 million at the year-end.

Portuguese toll roads:

Euroscut Azores

Syndicated bank financing finally maturing in 2033 with an outstanding balance of EUR 279.3 million at 31 December 2022, after repayment of EUR 13.8 million during the year (accruing interest at the 6-month EURIBOR -0.278% +0.90%) (since 01 July 2022, previously +0.85%).

In relation to these borrowings, the concession operator arranged a derivative with a notional amount of EUR 182.4 million, a guaranteed fixed interest rate of 4.115% and maturity in 2033. The fair value of the derivative (recognized under "Derivative financial instruments", Note 5.5) was EUR -11.6 million at the year-end.

Breakdown of other projects:

	L/T	S/T	2022	Change
Transchile Charrúa Transmisión, S.A.	98	6	104	3
Centella Transmisión, S.A.	73	0	73	41
Conc. Prisiones Lledoners, S.A.	65	2	67	-2
Depusa Aragón, S.A.	25	1	26	-1
Autovía de Aragón, Sociedad Concesionaria, S.A.	33	13	46	-11
Pilum, S.A.	0	0	0	-5
Budimex Group	5	0	5	5
Dalaman International Airport	95	18	112	112
UK Waste Treatment (Thalia)	48	3	51	-6
TOTAL Other infrastructure project company borrowings	**442**	**43**	**486**	**138**

	L/T	S/T	2021
Transchile Charrúa Transmisión, S.A.	99	2	101
Centella Transmisión, S.A.	32	0	32
Conc. Prisiones Lledoners, S.A.	67	2	69
Depusa Aragón, S.A.	26	1	27
Autovía de Aragón, Sociedad Concesionaria, S.A.	46	11	57
Pilum, S.A.	0	5	5
UK Waste Treatment (Thalia)	56	1	57
TOTAL Other infrastructure project company borrowings	**326**	**22**	**348**

Other project borrowings increased by EUR 138 million against December 2021. This increase is due mainly to the debt drawdowns for the Chilean Energy Infrastructure projects and the inclusion of Dalaman Airport in the consolidation scope after the ownership interest had been acquired in July 2022.

b.2) Maturities by currency and fair value of infrastructure project company borrowings

(Million euro)	Currency	Fair value 2022	Carrying amount 2022	2023	2024	2025	2026	2027	2028+	Total maturities
Infrastructure project company obligations		**3,007**	**4,123**	**0**	**0**	**1**	**8**	**1**	**2,716**	**2,726**
TOLL ROADS		**3,007**	**4,123**	**0**	**0**	**1**	**8**	**1**	**2,716**	**2,726**
	USD	3,007	4,123	0	0	1	8	1	2,716	2,726
	EUR	0	0	0	0	0	0	0	0	0
AIRPORTS		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	USD	0	0	0	0	0	0	0	0	0
	EUR	0	0	0	0	0	0	0	0	0
ENERGY AND MOBILITY INFRASTRUCTURES		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	USD	0	0	0	0	0	0	0	0	0
Bank borrowings of infrastructure project companies		**3,844**	**3,844**	**107**	**68**	**81**	**257**	**79**	**4,820**	**5,412**
TOLL ROADS		**3,404**	**3,404**	**90**	**49**	**59**	**56**	**53**	**4,647**	**4,955**
	USD	2,438	2,438	49	0	0	0	0	3,944	3,994
	EUR	966	966	41	49	59	56	53	703	961
AIRPORTS		**112**	**112**	**9**	**10**	**14**	**16**	**18**	**57**	**124**
	EUR	112	112	9	10	14	16	18	57	124
CONSTRUCTION		**99**	**99**	**3**	**4**	**4**	**4**	**5**	**79**	**99**
	EUR	94	94	3	4	4	4	5	74	94
	PLN	5	5	0	0	0	0	0	5	5
ENERGY AND MOBILITY INFRASTRUCTURES		**228**	**228**	**4**	**5**	**5**	**181**	**3**	**37**	**234**
	USD	177	177	1	2	2	178	0	0	183
	GBP	51	51	3	3	3	3	3	37	51
TOTAL INFRASTRUCTURE PROJECT COMPANY BORROWINGS		**6,851**	**7,967**	**107**	**68**	**82**	**265**	**80**	**7,536**	**8,137**

The difference between the total maturities of bank borrowings (EUR 8,137 million) and the carrying amounts recognized at 31 December 2022 (EUR 7,967 million) are explained mainly by the difference between the nominal values and carrying amounts of the borrowings, as certain adjustments are made in accordance with applicable accounting legislation. Thus, the accrued interest payable and the application of the amortized cost method represent an impact of EUR 170 million, taking into account that the maturities of the borrowings do not include interest. In addition, a fair value adjustment of EUR -9 million was made to the Dalaman International Airport's debt described in Note 1.1.4.

The fair value reflected in the table above is calculated as follows:

- For fixed-rate bonds, subject to changes in value due to fluctuations in market interest rates: since they are quoted in an active market, the related market value is used.
- For fixed-interest bank borrowings, also subject to changes in value due to fluctuations in rates: future cash flows are discounted using a market interest rate, calculated using an internal valuation model.

- Lastly, for floating-rate bank borrowings: no significant differences are deemed to exist between the fair value of the borrowings and their carrying amount and therefore the carrying amount is used.

b.3) Information on credit limits and credit drawable for infrastructure projects

Below is a comparative analysis of borrowings not drawn down at the year-end:

2022

(Million euro)	Limit	Utilized	Drawable	Debt recognized in the accounts
Toll Roads	7,748	7,681	68	7,527
US toll roads	6,787	6,719	68	6,561
Spanish toll roads	636	636	0	639
Other concessions	325	325	0	327
Energy and mobility infrastructures	291	234	57	228
Airports	124	124	0	112
Construction	99	99	0	99
TOTAL BORROWINGS	**8,262**	**8,137**	**125**	**7,967**

2021

(Million euro)	Limit	Utilized	Drawable	Debt recognized in the accounts
Toll Roads	7,289	7,264	25	7,124
US toll roads	6,263	6,263	0	6,129
Spanish toll roads	671	646	25	643
Other concessions	354	354	0	352
Energy and mobility infrastructures	284	194	90	190
Construction	98	98	0	96
TOTAL BORROWINGS	**7,670**	**7,555**	**115**	**7,409**

The entire drawable amount of EUR 125 million in 2022 (EUR 115 million at 31 December 2021) relates to borrowings not utilized in the Chilean energy projects (EUR 57 million) and in the US toll road companies (EUR 68 million) and are associated with the nature of the projects, as discussed below.

b.4) Guarantees and covenants for project borrowings

The borrowings classified as project borrowings are without recourse to the project shareholders or with recourse limited to the guarantees given. The guarantees given by Ferrovial subsidiaries for project borrowings are described in Note 6.5 Contingent liabilities.

At 31 December 2022, all the fully-consolidated project companies fulfilled the significant covenants in force.

5.2.2. Net cash position excluding infrastructure projects

a) Borrowings excluding infrastructure projects

a.1) Breakdown of short- and long-term balances, changes during the year and main features

	2022			Change 22/21		
(Million euro)	Long term	Short term	Total	Long term	Short term	Total
Corporate bonds and debentures	2,072	16	2,088	3	-501	-497
Euro Commercial Paper	0	696	696	0	446	446
Corporate liquidity lines	802	3	805	742	-238	504
Other borrowings	9	88	97	-13	46	33
TOTAL BORROWINGS EXCLUDING INFRASTRUCTURE PROJECT COMPANIES	**2,883**	**804**	**3,686**	**732**	**-247**	**486**

	2021		
(Million euro)	Long term	Short term	Total
Corporate bonds and debentures	2,069	517	2,586
Euro Commercial Paper	0	250	250
Corporate liquidity lines	60	241	301
Other borrowings	22	42	64
TOTAL BORROWINGS EXCLUDING INFRASTRUCTURE PROJECT COMPANIES	**2,151**	**1,050**	**3,201**

The following table shows changes to ex-infrastructure project gross borrowings, broken down into variations in borrowings with balancing entries in cash flows, exchange rate effects and scope changes, as well as changes in borrowings due to the accrual of interest, which do not affect period cash positions:

(Million euro)	Dec. 2021	Increase/decrease with impact on cash flow	Foreign exchange effect	Impact of consolidation scope changes	Capitalized/accrued interest and other	Dec. 2022
Bank borrowings/ Project bonds	3,178	527	-14	0	-4	3,686
Cross-currency swaps	9	0	-4	0	0	5
Gross borrowing position, ex-project companies	**3,186**	**527**	**-19**	**0**	**-4**	**3,691**

a.1.1) Corporate debt

The corporate debt comprises the following debt instruments:

Corporate bonds:

The carrying amount totals EUR 2,088 million at 31 December 2022 (EUR 2,586 million at 31 December 2021). The breakdown is as follows:

Issuance date	Nominal value (million euro)	Maturity	Annual coupon
15/7/2014	300	15/7/2024	2.500%
29/3/2017	500	31/3/2025	1.375%
14/5/2020	650	14/5/2026	1.382%
24/6/2020	131	14/5/2026	1.382%
12/11/2020	500	12/11/2028	0.540%

All issues completed as from 2014 are traded on the AIAF Fixed Income Market (Spain). All the issues are guaranteed by the Group's parent company Ferrovial S.A.

In 2022, the bond issued in September 2016 for a notional amount of EUR 500 million at an annual coupon of 0.375% was redeemed.

Euro Commercial Paper:

In the first quarter of 2018, the Company arranged a Euro Commercial Paper (ECP) programme for a maximum amount of EUR 1,000 million, with maturities between 1 and 364 days as from the issue date, allowing further diversification of capital market funding and more efficient liquidity management.

At the end of 2019, the maximum limit was increased up to EUR 1,500 million. The carrying amount was EUR 696 million at 31 December 2022. This note issuance programme has been renewed each year since 2018.

Other Corporate Debt:

In July 2018, Ferrovial refinanced the liquidity facility and included sustainability criteria in the process for a maximum of EUR 1.100 millon. On the one hand, a syndicated facility with a limit of EUR 900 millon and the possibility of drawing down the balance in EUR, USD, CAD and GBP. USD 260 million had been utilized at 31 December 2022.

In order to cover possible interest rate and foreign exchange fluctuations affecting the amount drawn, Ferrovial arranged cross-currency swaps for USD 260 million, maturing in 2025, for an agreed equivalent value of EUR 250 million, the fair value of which amounts to EUR -5 million.

On the other hand, a credit line with a limit EUR 200 million, undrawn at 31 December 2022.

Ferrovial also records six loans totalling EUR 560 million all of which mature in 2027 at an average rate of between 1.41% and 2.59%. In addition to the loan that the company had already arranged in 2021, in the second half of 2022 a further five were obtained for EUR 500 million.

The variation in corporate debt compared to December 2021 (EUR 453 million) is explained mainly by the volume of ECPs issued (EUR 446 million), at an average rate of 0.47% and by the redemption of the bond issued in 2016 for the amount of EUR 500 million referred to previously, as well as the arrangement of new loans during the year amounting to EUR 500 million.

The Group's liquidity stands at EUR 6,118 million (Note 5.4.d).

Information on corporate debt limits and drawable balances.

Set out below is a breakdown of corporate debt limits and drawable balances at 31 December 2022 and at 31 December 2021:

				2022
(Million euro)	Limit	Utilized (*)	Drawable	Consolidated debt
Bonds	2,081	2,081	0	2,088
Syndicated facility	1,100	250	850	245
ECPs	696	696	0	696
Credit lines	560	560	0	560
TOTAL CORPORATE DEBT	**4,437**	**3,587**	**850**	**3,589**

(*) The balance drawn on the syndicated facilities includes the fair value of cross-currency swaps (EUR -5 million).

				2021
(Million euro)	Limit	Utilized (*)	Drawable	Consolidated debt
Bonds	2,581	2,581	0	2,586
Syndicated facility	900	250	650	241
ECPs	250	250	0	250
Credit lines	60	60	0	60
TOTAL CORPORATE DEBT	**3,791**	**3,141**	**650**	**3,136**

(*) The balance drawn on the syndicated facilities includes the fair value of cross-currency swaps (EUR -8 million).

The Company's credit rating

The credit rating agencies Standard & Poor's and Fitch maintained their opinion regarding the financial rating of Ferrovial's corporate debt in December 2022, respectively rating it at BBB and BBB with stable outlook and, therefore, within the "Investment Grade" category.

a.1.2) Other borrowings

Other borrowings of EUR 97 million (EUR 64 million at December 31, 2021) mainly includes balances of other bank borrowings mainly in the Construction Division (EUR 33 million), as well as balances with the partners of Mars NTO LLC (parent company of JFK NTO LLC) in the Airports Division (EUR 41 million), related to the capital contributions to be made to the project, which are recorded as an offsetting entry for the restricted cash contributed to the company for this purpose (with no impact on the net cash position), as explained in the following section b).

Information on limits and drawable balances of other borrowings:

Set out below is a breakdown of debt limits and drawable balances at 31 December 2022 and 2021:

				2022
(Million euro)	Limit	Utilized	Drawable	Consolidated debt
Construction	149	37	112	33
Airports	0	0	0	41
Energy and mobility infrastructures	24	22	2	23
OTHER BORROWINGS	**173**	**59**	**114**	**97**

				2021
(Million euro)	Limit	Utilized	Drawable	Consolidated debt
Construction	190	57	133	40
Energy and mobility infrastructures	25	25	0	24
OTHER BORROWINGS	**215**	**82**	**133**	**64**

The differences between total bank borrowings and the carrying amount at 31 December 2022 are explained mainly by the difference between the face values and carrying amounts of the borrowings, as certain adjustments are made in accordance with applicable accounting legislation.

a.2) Maturities by currency and fair value of borrowings excluding infrastructure project companies

Borrowings (million euro)	Currency	Fair value 2022	Carrying amount 2022	2023	2024	2025	2026	2027	2028+	Total maturities
Corporate debt		**3,385**	**3,589**	**696**	**300**	**750**	**781**	**560**	**500**	**3,587**
	EUR	3,385	3,589	696	300	750	781	560	500	3,587
Other borrowings		**97**	**97**	**22**	**3**	**9**	**17**	**8**	**2**	**59**
	EUR	13	13	0	0	0	0	0	1	2
	PLN	14	14	0	1	9	3	1	1	14
	CLP	23	23	22	1	0	0	0	0	22
	Other	48	48	0	0	0	14	7	0	21
TOTAL BORROWINGS EXCLUDING INFRASTRUCTURE PROJECT COMPANIES		**3,482**	**3,686**	**718**	**303**	**759**	**798**	**568**	**502**	**3,646**

The differences between the total maturities of borrowings and the carrying amounts at 31 December 2022 are primarily explained by the difference between the face values and carrying amounts of the borrowings, as certain adjustments are made in accordance with applicable accounting legislation (basically accrued unmatured interest and the application of the amortized cost method).

The fair value of bank borrowings excluding infrastructure project companies matches the related carrying amount because the borrowings are tied to floating market interest rates and therefore changes to the benchmark interest rates do not affect fair value.

As corporate are quoted in an active market, the related market value is used.

On this basis, the estimated total fair value of bank borrowings and bonds excluding infrastructure project companies at 31 December 2022 amounts to EUR 3,482 million.

The 2023 maturities total EUR 718 million and primarily relate to the ECPs. The debt maturities do not include interest.

b) Cash and cash equivalents of other companies

The cash and cash equivalents of the other companies at 31 December 2022 amounted to EUR 4,962 million.

The method generally used to classify cash and cash equivalents as short- and long-term balances matches the approach applied when preparing the 2021 consolidated annual accounts.

At 31 December 2022, certain accounts totalling EUR 29 million (EUR 72 million at 31 December 2021) were restricted due mainly to operational aspects of US construction projects.

In addition, Mars NTO LLC, parent company of JFK NTO LLC, has restricted cash in the amount of 41 million euros to meet future capital increases of the project. This item is reflected in the debt recorded with the partners for the same amount, with no impact on the net cash position, as mentioned in the previous section.

5.3. CASH FLOW

The cash flow statement has been prepared in accordance with IAS 7. This note provides an additional breakdown, based on internal criteria established by the Company to analyze business performance, which in certain cases differ from the provisions of IAS 7. The main criteria applied are as follows:

- In order to provide a clearer explanation of cash generated, the Group separates cash flows into "Cash flows excluding infrastructure projects", where infrastructure project concession operators are treated as financial interests, so that equity investments in these companies are included in cash flows from investing activities and the investment returns (dividends and capital reimbursements) are included in cash flows from operating activities; and "Cash flows from infrastructure projects", consisting of cash flows from operating and financing activities of infrastructure project concession operators.
- The treatment afforded to interest received on cash and cash equivalents differs from that reflected in the cash flow statement prepared in accordance with IAS 7, since it is included in cash flows from financing activities, reducing the amount of interest paid, in the item "interest flows".
- This cash flow endeavors to present changes in the net cash position as the net amount of borrowings, cash and cash equivalents and restricted cash. This method also departs from the IAS 7 approach, explaining the change in cash and cash equivalents.
- In addition, with regard to the treatment of leases, as the nature of the payment is tied to business operations, the related cash flow is reported in changes in working capital under cash flows from operating activities, which differs from the treatment afforded in the cash flow statement, where it is included in cash flows from financing activities. Lease payments reported in the cash flow statement totalled EUR -72 million at December 2022, (Note 3.7).
- It should finally be noted that dividends received derive mainly from infrastructure projects and equity-consolidated companies. This includes both dividends and other similar items, mainly interest on subordinated borrowings and participating loans, and repayments of capital, debt and loans, as well as loans received from these projects whose repayment probability is considered to be remote.
- As outlined in Note 1.1.3, the cash flows reported in this note include flows from operating, investing and financing activities related to discontinued operations and held-for-sale assets, reflecting the main line items, thus explaining the net cash position including discontinued operations.

The change in cash flows is also discussed in the management report issued together with these Consolidated Annual Accounts.

December 2022 (million euro)

December 2022	Note	Cash flows excluding infrastructure project companies	Cash flows of infrastructure project companies	Eliminations	Consolidated cash flows
EBITDA including discontinued operations	2	228	655	0	883
IFRS-16 impact		-72	0	0	-72
EBITDA including discontinued operations and IFRS 16		156	655	0	811
Dividend receipts and other flows from equity-accounted companies	3.5	475	0	-191	284
Movements in provisions affecting EBITDA or working capital	6.3	-68	0	0	-68
Change in working capital (receivables, payables and other)		20	-35	0	-15
Cash flows from operating activities before tax		**584**	**620**	**-191**	**1,012**
Taxes paid for the year	2.8.1	-91	9	0	-82
Cash flows from operating activities		**493**	**629**	**-191**	**930**
Investment	3.2, 3.3 and 1.1.4	-856	-784	414	-1,226
Divestment		429	0	0	429
Cash flows from investing activities		**-427**	**-784**	**414**	**-797**
Cash flows from operating activities		**66**	**-155**	**223**	**133**
Interest cash flows	2.6	3	-285	0	-282
Capital cash flows from non-controlling interests		56	708	-414	350
Scrip dividend		-132	0	0	-132
Treasury share purchases		-446	0	0	-446
Shareholder remuneration	5	-578	0	0	-578
Dividends paid to non-controlling interests of investees		-67	-285	191	-161
Other movements in shareholder's funds		9	-77	0	-69
Exchange rate fluctuations		-113	-342	0	-456
Consolidation scope changes	1.1.4	-106	-91	0	-197
Other movements in borrowings (not cash flows)		-13	-58	0	-71
Cash flows from financing activities		**-809**	**-431**	**-223**	**-1,463**
Change in net cash position	5	**-743**	**-586**	**0**	**-1,329**
Opening position		**2,182**	**-6,633**	**0**	**-4,451**
Closing position		**1,439**	**-7,219**	**0**	**-5,781**

Changes in working capital:

The changes in working capital disclosed in the table above (EUR -15 million) explain the difference between the Group's EBITDA and cash flows from operating activities before tax, and they arise from the difference between the timing of accrual of the income and expenses for accounting purposes and the date on which such accruals are converted into cash, due mainly to changes in trade receivables and payables or other balance sheet items.

Therefore, a reduction in the balance of trade receivables will improve working capital and a reduction in trade payables will reduce working capital.

Movements in this item do not match the changes in working capital reported in Section 4 of the consolidated annual accounts, as shown in the following table:

(Million euro) 2022	EX-PROJECT	PROJECT	ADJUSTMENTS	TOTAL
Change in working capital (Note 4)	97	-16	204	285
Movements in working capital with impact on other EBITDA lines and Movements in other balance sheet items with impact on operating cash flowof other balance sheet items with an impact on EBITDA.	-77	-18	-204	-300
TOTAL WORKING CAPITAL REFLECTED IN CASH AND CASH EQUIVALENTS (NOTE 5.3)	**20**	**-35**	**0**	**-15**

The differences reflected in the table relate to the following items:

- Movements in working capital affecting other cash flow line items (mainly cash flows from investing activities) The working capital accounts reported in Note 4, particularly trade payables, may relate to transactions that do not affect cash flows from operating activities, such as fixed asset purchases, prepayments and concession works with balancing entries in cash flows from investing activities.
- Movements in other balance sheet items affecting cash flows from operating activities. The changes in working capital reported in Note 4 reflect only movements in items included under "Short-term trade and other receivables", "Short-term trade and other payables" and "Inventories". In certain cases, operating income and expenses relate not only to items shown in working capital (short-term items) but also to certain items recognized as long-term assets and liabilities, such as long-term trade receivables and long-term trade payables, or even to items in equity accounts such as operations relating to share-based remuneration schemes.

The difference in the fiscal year corresponds mainly to:

- Consolidation adjustments related mainly to the Work Certified in Advance and Advances received from the full consolidation Infrastructure Projects. These items are eliminated at the consolidated level in the balance sheet against the concession assets, while the cash flow reflects the movement of the year without elimination.
- Regarding to ex-projects, the main difference is due to the change in working capital of Amey business up to November, reported in the cash flow for the year, while in the balance sheet it is included in the change in assets and liabilities of discontinued operations (Note 1.1.3).
- Finally, regarding to Infrastructure Projects, the difference in the year is mainly due to income and expenses whose counterpart is not in the working capital accounts, such as costs of bank guarantees and security deposits.

Cash flows from discontinued operations:

Cash flows from discontinued operations in the former Services Division which, as commented in Note 1.1.3, are included in reported cash flows, are set out below:

(Million euro) 2022	EX-INFRASTRUCTURE PROJECT COMPANIES	INFRASTRUCTURE PROJECT COMPANIES	ADJUSTMENTS	CONSOLIDATED
CASH FLOWS FROM OPERATING ACTIVITIES EXCL. CIT	83	0	0	83
CIT flows	-4	0	0	-4
CASH FLOWS FROM OPERATING ACTIVITIES	**78**	**0**	**0**	**78**
Investment	-2	0	0	-2
Divestment	9	0	0	9
CASH FLOWS FROM OPERATING ACTIVITIES	**86**	**0**	**0**	**86**
CASH FLOWS FROM FINANCING ACTIVITIES, NON-CONTROLLING INTERESTS	0	0	0	0

(Million euro) 2021	EX-INFRASTRUCTURE PROJECT COMPANIES	INFRASTRUCTURE PROJECT COMPANIES	ADJUSTMENTS	CONSOLIDATED
CASH FLOWS FROM OPERATING ACTIVITIES EXCL. CIT	222	34	-25	231
CIT flows	-70	-4	0	-74
CASH FLOWS FROM OPERATING ACTIVITIES	**152**	**30**	**-25**	**157**
Investment	-65	-2	0	-67
Divestment	0	0	0	0
CASH FLOWS FROM OPERATING ACTIVITIES	**86**	**28**	**-25**	**90**
CASH FLOWS FROM FINANCING ACTIVITIES, NON-CONTROLLING INTERESTS	0	-3	0	-3

Cash flows reported for 2021 are set out below:

December 2021 (million euro)

December 2021		Cash flows excluding infrastructure project companies	Cash flows of infrastructure project companies	Eliminations	Consolidated cash flows
EBITDA including discontinued operations	2	442	499	0	942
NIIF-16		-131	0	0	-131
EBITDA including discontinued operations and IFRS 16		311	499	0	811
Dividend receipts and other flows from equity-accounted companies	3.5	550	-2	-276	272
Movements in provisions affecting EBITDA or working capital	6.3	85	0	0	85
Change in working capital (receivables, payables and other)		-339	5	0	-334
Cash flows from operating activities before tax		**607**	**503**	**-276**	**834**
Taxes paid for the year	2.8.1	-121	-34	0	-155
Cash flows from operating activities		**486**	**469**	**-276**	**679**
Investment		-1112	-239	65	-1285
Divestment	1.1.4	1,621	0	0	1,621
Cash flows from investing activities		509	-239	65	336
Cash flows from operating activities		**995**	**230**	**-210**	**1,015**
Interest cash flows	2.6	-39	-253	0	-292
Capital cash flows from non-controlling interests		12	111	-65	57
Scrip dividend		-31	0	0	-31
Treasury share purchases		-432	0	0	-432
Shareholder remuneration	5	-463	0	0	-463
Dividends paid to non-controlling interests of investees		-88	-458	276	-270
Other movements in shareholder's funds		-5	5	0	0
Exchange rate fluctuations		49	-252	0	-202
Consolidation scope changes	1.1.4	-256	-1482	0	-1738
Other movements in borrowings (not cash flows)		-13	-4	0	-17
Cash flows from financing activities		**-804**	**-2332**	**210**	**-2926**
Change in net cash position	5	**191**	**-2102**	**0**	**-1911**
Opening position		**1,991**	**-4,532**	**0**	**-2,541**
Closing position		**2,182**	**-6,633**	**0**	**-4,451**

5.4. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Group's businesses are affected by changes to financial variables, such as interest rates, exchange rates, inflation, credit, liquidity and equities. The policies applied by the Group when managing these risks are explained in detail in the Management Report.

The following are specific data on the Group's exposure to each of these risks and an analysis of the sensitivity to a change in the various variables, together with a brief description of the way in which each risk is managed.

a. Exposure to interest rate fluctuations

Ferrovial's businesses are exposed to interest rate fluctuations, which may affect the Company's net financial expense due to the variable interest on financial assets and liabilities, as well as the measurement of financial instruments arranged at fixed interest rates.

Ferrovial manages interest rate risk so as to optimize the financial expense borne by the Group and achieve suitable proportions of fixed- and variable-rate debt based on market conditions. Therefore, when interest rates are low, the Group seeks to fix future amounts at the ex-infrastructure project company level, although such hedging can affect liquidity in the event of cancellation.

At the infrastructure project company level, banks and rating agencies require a higher percentage of fixed-rate debt. These strategies are implemented by issuing fixed-rate debt or by arranging financial derivative hedges, a breakdown of which is provided in Note 5.5 Financial derivatives at fair value.

The accompanying table shows a breakdown of the Group's borrowings, indicating the percentage considered to be hedged (either by a fixed rate or by derivatives).

2022

BORROWINGS (Million euro)	Total gross debt	% debt hedged	Net exposed debt	Impact on profit/(loss) + 100 bps
Ex-infrastructure project companies	**3,691**	**79 %**	**772**	**8**
Toll Roads	7,527	98 %	157	2
Construction	99	97 %	3	0
Energy and Mobility infrastructures	228	80 %	46	0
Airports	112	100%	0	3
Infrastructure project companies	**7,967**	**96%**	**317**	**3**
Total borrowings	**11,658**	**92 %**	**962**	**11**

	2021 (*)			
BORROWINGS (Million euro)	**Total gross debt**	**% debt hedged**	**Net exposed debt**	**Impact on profit/(loss) + 100 bps**
Ex-infrastructure project companies	**3,211**	**92 %**	**257**	**3**
Toll Roads	7,124	99 %	97	1
Construction	96	100%	0	0
Energy and Mobility infrastructures	189	100%	0	0
Corporate and other	54	95 %	3	0
Infrastructure project companies	**7,463**	**99 %**	**105**	**1**
Total borrowings	**10,674**	**97 %**	**370**	**4**

(*) Restated figures (Note 1.1.5)

Accordingly, in the fully-consolidated companies, a linear increase of 100 basis points in market interest rate curves at 31 December 2022 would increase financial expenses in the income statement by an estimated EUR 11 million, of which EUR 3 million relates to infrastructure project companies and EUR 8 million to ex-infrastructure project companies, entailing a net effect on Ferrovial's results of EUR 7 million (expense).

On the other hand, the Group's cash amounted to EUR 5,130 million, most of it at variable rates, which meant an improvement in the financial result for the year.

It is also necessary to take into account changes in the fair value of the financial derivatives arranged, which are indicated in Note 5.5.

As regards these interest rate hedging instruments, a linear increase of 100 basis points in the market yield curves at 31 December 2022 would, in the case of the effective hedges, have a positive impact of approximately EUR 55 million on the shareholders' funds attributable to the parent from fully consolidated companies, while a decrease of 100 basis points would produce a negative impact of approximately EUR 67 million.

As a balancing entry to this impact, it must be taken into consideration that a drop in interest rates would produce an increase in the value of the projects, as this would lead to a lower discount rate in their measurement.

b. Exposure to foreign exchange fluctuations

Ferrovial regularly monitors net exposure to each currency over the coming years for dividends receivable, investments in new projects and potential divestments.

Ferrovial establishes its hedging strategy by analyzing past fluctuations in both short- and long-term exchanges rates and has monitoring mechanisms in place, such as future projections and long-term equilibrium exchange rates. These hedges are made by arranging foreign currency deposits or derivatives (Note 5.5 for more details).

The following tables show, by type of currency, the value of assets, liabilities, non-controlling interests and shareholders' funds attributed to the parent company at December 2022, adjusted to account for the above-mentioned currency forwards relating to each currency:

	DEC. 2022			
Currency (Million euro)	**Assets**	**Liabilities**	**Parent company shareholders' funds**	**Non-controlling interests**
Euro	9,503	7,072	2,244	186
Pound sterling	1,126	638	487	1
US dollar	12,247	9,972	414	1,860
Canadian dollar	541	377	164	0
Australian dollar	186	141	45	0
Polish zloty	1,653	1,341	119	193
Chilean peso	342	244	98	0
Colombian peso	167	105	61	0
Indian rupee	380	1	379	0
Other	141	38	102	1
GROUP TOTAL	**26,284**	**19,930**	**4,113**	**2,241**

Note 1.4 contains a breakdown of year-end exchange rates. As a result of these changes, the impact of currency translation differences on equity at 31 December 2022 was EUR 43 million for the parent company. A breakdown by currency is set out in Note 5.1.1.

Analyzing sensitivity to exchange rate effects, Ferrovial estimates that a 10% depreciation in the value of the euro at year-end against the main currencies in which the Group holds investments would have an impact on the parent company shareholders'' funds of EUR 191 million, of which 10% would relate to the impact of the Canadian dollar, 24% to the US dollar, 28% to the pound sterling and 22% to the Indian rupee.

Note 1.4 contains a breakdown of average exchange rates for the year. In this regard, the impact on the income statement of a 10% appreciation of the euro against other currencies would have amounted to a change of EUR 35 million.

c. Exposure to credit and counterparty risk

The Group's main financial assets exposed to credit or counterparty risk are as follows:

	2022	2021 (*)	Var. 22/21
Investments in financial assets (1)	569	1,017	-448
Non-current financial assets	1,258	1,049	209
Net financial derivatives (assets)	331	309	23
Trade and other receivables	1,609	1,344	264

(1) Included in cash and cash equivalents

- Ferrovial actively and continuously monitors counterparty risk affecting financial transactions and performs internal credit quality analyses on each of the financial institutions with which there is exposure.
- The internal rules for managing cash surpluses impose maximum investment limits for each counterparty, based on objective criteria: minimum acceptable risk requirements for the investment of cash surpluses and limits on the amounts invested in line with the defined risk in each case. In addition, the Risk Department monitors each counterparty's performance and proposes appropriate protective or corrective measures depending on the specific circumstances.
- Geographies: Ferrovial monitors trends in markets (geographies) where it has operations, as well as in its target markets. The Financial Risk Department proposes potential actions to be taken should changes in risk levels be expected in a particular geography or market.

- Customers: Ferrovial analyses and monitors customer credit risk by means of an internal method used by all the Group companies to assign credit ratings to Ferrovial's customers.

d. Exposure to liquidity risk

The Group has the necessary mechanisms in place to preserve the necessary liquidity through periodic procedures that take account of protected cash generation, cash needs, short-term collections and payments, and long-term obligations.

Ex-infrastructure project companies

At 31 December 2022, cash and cash equivalents amounted to EUR 4,962 million (EUR 5,340 million in 2021). At that date, undrawn credit lines totalled EUR 782 million (EUR 1,105 million in 2021) and forwards hedging cash flows denominated in a currency other than the euro amounted to EUR 151 million (EUR -22 million in 2021).

Therefore, total liquidity reached EUR 6,118 million (EUR 6,421 million in December 2021).

Infrastructure project companies

At 31 December 2022, cash and cash equivalents (including short-term restricted cash) amounted to EUR 168 million (EUR 207 million in 2021). Also, at that date undrawn credit lines amounted to EUR 115 million (EUR 25 million in 2021), which were primarily arranged to cover committed investment needs.

Total liquidity (including long-term restricted cash) reached EUR 841 million (EUR 901 million in December 2021). Including total intragroup cash resources, total liquidity would amount to EUR 866 million (EUR 945 million in December 2021, including discontinued operations).

e. Equities risk exposure

Ferrovial is exposed to the risk of fluctuations in its own share price. This exposure arises in equity swaps used to hedge against risks of appreciation of share-based remuneration schemes, the detail of which is shown in Note 5.5 to these consolidated financial statements.

As the equity swaps are not classified as accounting hedges, the market value has an impact on profit or loss. Accordingly, a EUR 1 increase/decrease in Ferrovial's share price would have a positive/negative impact of EUR 2.8 million on Ferrovial's net profit/(loss).

f. Exposure to inflation risk

As mentioned in note 1.2, Going concern assessment and Current economic situation, most of the revenue from infrastructure projects is associated with prices tied directly to inflation. This is the case of the prices of both the toll road concession contracts and those of Heathrow. Therefore, an increase in inflation as is currently the case will increase cash flows from assets of this kind.

The recent rise in inflation may have an adverse effect on operating margins under the construction contracts. However, as indicated in Note 1.2, approximately 80% of the division's portfolio is protected against the effects of rising inflation due to the existence of price adjustment contract clauses linked to inflation in certain jurisdictions, such as Poland or, in certain contracts, Spain. In the absence of such clauses, the risk is hedged by closing the main direct costs at the time of bidding.

The toll road concession operator Autema records a derivative linked to inflation in Spain. At year-end 2020, 37% of the derivative was cancelled as a result of the shift from the concession model to the intangible asset model. The remaining 63% is still treated as a hedge accounting instrument. An increase of 100 bps across the inflation curve would have a negative effect on reserves of EUR -95 million and EUR -56 million on profit/(loss).

g. Capital management

The Group aims to achieve a debt-equity ratio that makes it possible to optimize costs while safeguarding the capacity to continue managing recurring activities and the capacity to continue to grow through new projects in order to create shareholder value.

With regard to borrowings, the Ferrovial Group seeks to maintain a level of indebtedness, excluding infrastructure project companies, so as to retain an investment grade credit rating. To achieve this, a clear and consistent financial policy has been established in which a relevant metric refers to the maintenance of an ex-projects net debt (gross debt less cash) to EBITDA ratio, plus project dividends, of no more than 2x.

At 31 December 2022, the net cash position is positive (assets exceed liabilities), so the difference with respect to the defined maximum debt-equity ratio is highly significant. For the purpose of calculating this ratio, "net debt excluding infrastructure project companies" is defined in Note 5.2 and "gross operating profit/(loss) from operations plus dividends" is the operating profit before impairment, disposals, depreciation and amortization in ex-infrastructure concession operators, plus dividends received from infrastructure project companies.

5.5. FINANCIAL DERIVATIVES AT FAIR VALUE

a) Breakdown by type of derivative, movements, maturity dates and main features

The table below includes the fair values of the derivatives arranged at 31 December 2022 and 2021, as well as the maturity date of the notional amounts to which the derivatives relate (maturities of notional amounts are shown as positive figures and already-arranged future increases are presented as negative amounts):

	FAIR VALUE		NOTIONAL MATURITIES					
TYPE OF INSTRUMENT (million euro)	BALANCES AT 31/12/2022	BALANCES AT 31/12/2021	2023	2024	2025	2026	2027 and beyond	TOTAL
ASSET BALANCES	**332**	**224**	**4,130**	**53**	**32**	**107**	**913**	**5,235**
Toll road index-linked swaps	77	299	0	0	0	0	66	66
Corporate IRS	10	-31	0	0	0	0	350	350
Transchile and Centella IRS	60	-3	40	0	0	107	366	513
Dalaman IRS	6	0	0	0	0	0	100	100
Equity swaps - Corporate	2	11	65	0	0	0	0	65
Corporate foreign exchange derivatives	3	-2	179	0	0	0	0	179
Toll roads foreign exchange derivatives	164	-44	3,581	0	0	0	0	3,581
Other derivatives	10	-7	265	53	32	0	31	381
LIABILITY BALANCES	**113**	**319**	**5**	**0**	**250**	**38**	**2,529**	**2,822**
Toll Roads IRS	76	291	0	0	0	38	766	804
Corporate cross-currency swaps	5	8	0	0	250	0	0	250
Toll road cross-currency swaps	28	1	0	0	0	0	1,712	1,712
Other derivatives	4	19	5	0	0	0	51	56
NET BALANCES (ASSETS)	**219**	**-95**	**4,135**	**53**	**282**	**145**	**3,442**	**8,057**

The maturities of cash flows comprising the fair value of the derivatives are set out below:

	FAIR VALUE		CASH FLOW MATURITIES					
TYPE OF INSTRUMENT (million euro)	BALANCES AT 31/12/2022	BALANCES AT 31/12/2021	2023	2024	2025	2026	2027 and beyond	TOTAL
ASSET BALANCES	**332**	**224**	**195**	**19**	**14**	**13**	**91**	**332**
Cintra index-linked swaps	77	299	10	7	7	7	47	77
Corporate IRS	10	-31	0	4	2	2	2	10
Transchile and Centella IRS	60	-3	8	6	4	3	39	60
Dalaman IRS	6	0	2	2	1	1	0	6
Equity swaps	2	11	2	0	0	0	0	2
Corporate foreign exchange derivatives	3	-2	3	0	0	0	0	3
Toll roads foreign exchange derivatives	164	-44	164	0	0	0	0	164
Other derivatives	10	-7	6	1	0	0	3	10
LIABILITY BALANCES	**113**	**319**	**27**	**22**	**41**	**26**	**-3**	**113**
Toll Roads IRS	76	291	14	9	10	9	34	76
Corporate cross-currency swaps	5	8	-6	-4	14	0	0	5
Toll road cross-currency swaps	28	1	17	17	17	16	-39	28
Other derivatives	4	19	1	0	0	0	2	4
NET BALANCES (ASSETS)	**219**	**-95**	**167**	**-4**	**-27**	**-13**	**95**	**219**

Derivative project companies

Interest Rate Swaps

To hedge interest rate risk in infrastructure projects, the borrowings of which accrue variable interest (primarily Cintra Inversora Autopistas de Cataluña, S.A., Euroscut Azores, Autovía De Aragón, Depusa, Transchile Centella, Dalaman International Airport and Negocio de Tratamiento de Residuos en Reino Unido (Thalia)). The companies have contracted interest rate hedges on project debt, establishing a fixed or increasing interest rate, for a total notional amount of 1,494 million euros at December 31, 2022. Overall, the fair value valuation of these hedges has gone from -311 million euros at December 2021 to -10 million euros at December 2022.

In general, hedge effectiveness measurements performed periodically show that derivatives are efficient, so changes in their fair value are recorded in reserves, with an impact of 299 million euros (219 million euros after taxes and minority interests attributable to the parent company).

The movement in settlements and accruals had an impact on the financial result of -44 million euros and on cash of 47 million euros.

Index-linked swaps

They relate solely to Autema, which arranged an index-linked swap fixing the annual inflation rate at 2.5% in 2008 to hedge revenue variability. The underlying hedged items are the toll flows and price compensation flows received by the Catalan Regional Government, which are inflation-adjusted.

The reduction in the hedged item due to the change of concession scheme entailed the partial discontinuance of the hedge, so that 63% of the derivative is currently classed as a hedge and the remainder is classed as speculative. The rise in inflation during 2022 had an impact of EUR -119 million on reserves and a fair value impact of EUR -101 million on results.

Derivatives ex-project companies

Interest rate swaps

The Group has arranged interest rate derivatives (mainly Ferrovial S.A.), to hedge bank borrowings for a notional amount of EUR 359 million and mostly expiring in 2027. These derivatives, which have a fair value of 10 million euros, constitute an economic hedge of the future cash flows of the financing held for changes in the reference interest rate, meeting the conditions for hedge accounting treatment.

In 2022, the impact on reserves was EUR 65 million, of which EUR 11 million corresponded to new IRS contracted to cover bank debt. On the other hand, a positive impact of EUR 62 million was generated in results, due to the breakdown of the pre-hedging contracted for a bond issue that finally did not take place.

Cross-currency swaps

At 31 December 2022, Ferrovial S.A. recorded cross-currency swaps to hedge a corporate liquidity line in US dollars (Note 5.2.2). These instruments have a notional value of EUR 260 million (EUR 250 million agreed equivalent value) and expire in 2025 and have a fair value of EUR -5 million.

The results of the effectiveness tests carried out show that the derivatives are efficient. derivatives are efficient. The change in fair value during the year had an impact of had an impact on reserves of EUR 2 million.

On the other hand, the Cintra Infrastructure SE Company contracted some cross currency swaps (CCS) in 2022 as fair value coverage of its net investment in the USA in USD. These instruments have a notional amount of EUR 1,712 million, a maturity in 2032 and a fair value of EUR -28 million.

The result of the effectiveness tests carried out show that the derivatives are efficient. The interest rate component of these derivatives, considered as a hedging cost, amounts to -58 million euros and is recorded as reserves. As the coupons for the interest rate differential are paid, this cost will be transferred to income. In addition, the impact of the hedging of the investment was EUR 30 million recognized as translation differences.

Exchange rate derivatives

There are exchange rate risk hedges, designed to hedge the investment that the Group has in CAD. Its notional amounts to EUR 3,049 million at December 31 2022 (CAD 4,226 million) (Note 1.3). Its fair value amounts to EUR 151 million.

Changes in their valuation are recorded under the conversion differences heading and amount to EUR 59 million in 2022. Additionally, the movement of settlements and accruals has had an impact on the financial result of EUR -50 million and on cash of EUR 179 million.

Additionally there are hedges of foreign currency risk, which aim is to protect against the volatility of future cash flows in foreign currencies (primarily pound sterling and US dollar). Their notional value amounted to EUR 1,061 million at 31 December 2022, of which EUR 295 million relate to pound sterling and EUR 652 million to the US dollar and EUR 106 million to zloty, they all expire in the short-term.

Value changes are recognized as translation differences and amounted to EUR -149 million in 2022 (for effective derivatives). Options, which are not classified as accounting hedges, are recognized in net financial income/(expense) at fair value, entailing an expense of EUR 8 million during the year.

Equity swaps

The Company has arranged equity swaps hedging the potential financial impact of the exercise of share-based remuneration schemes granted to employees. Ferrovial has contracted equity swaps.

These contracts are described below:

- The calculation base comprises a given number of Ferrovial shares and a reference price, which is usually the share price on the execution date.
- During the swap term, Ferrovial pays interest at a given interest rate (EURIBOR plus a spread to be applied to the result of multiplying the number of shares by the strike price) and receives remuneration equal to the dividends on those shares.
- When the swap expires, if the share price has risen, Ferrovial will receive the difference between the arithmetic mean of the share price during the observation period and the reference price, by the number of shares contracted. Otherwise, Ferrovial would pay this differential to the financial institution.

Its fair value at 31 December 2022 is EUR 2 million. The change in value during the year was due to the decrease in the Ferrovial share price from EUR 27.56 at 31 December 2021 to EUR 24.47 at 31 December 2022, entailing an impact of EUR -9 million under the income statement heading "Changes in the fair value of financial instruments". In the column "Impact on Net financial income/(expense)" includes the remuneration as income and the finance cost of these instruments as an expense in the amount of EUR 2 million (Note 2.6). The total impact of these instruments on cash resources amounted to EUR 2 million.

At the 2022 year-end, these derivatives had a notional value equivalent to 2,755 thousand shares which, based on the strike price of the equity swaps (price at which they must be settled with the banks), represented a total notional amount of EUR 65 million.

B) MAIN EFFECTS ON THE INCOME STATEMENT AND EQUITY

Set out below is a breakdown of the main derivatives arranged by fully-consolidated companies showing movements in fair values at 31 December 2022 and 2021 and the effect on reserves, profit/(loss) and other balance sheet items:

	FAIR VALUE			EFFECTS						
TYPE OF INSTRUMENT (million euro)	Balance at 31/12/2022	Balance at 31/12/2021	Var.	EFFECT ON RESERVES (I)	FAIR VALUE EFFECT ON PROFIT/(LOSS) (II)	EFFECT ON FINAL PROFIT/(LOSS) (III)	CASH (IV)	EXCHANGE RATE (V)	OTHER EFFECTS ON BALANCE SHEET OR INCOME	TOTAL
Inflation derivatives	**77**	**299**	**-223**	**-119**	**-101**	**4**	**-13**	**0**	**6**	**-223**
Cash flow hedge	77	299	-223	-119	-101	4	-13	0	6	-223
Interest rate derivatives	**0**	**-343**	**343**	**302**	**70**	**-45**	**26**	**2**	**-12**	**343**
Cash flow hedge	0	-343	343	293	70	-45	26	2	-1	343
Fair value hedge	0	0	0	9	0	0	0	0	-9	0
Cross-currency swaps	**-32**	**-9**	**-24**	**-56**	**0**	**6**	**-18**	**30**	**14**	**-24**
Cash flow hedge	-5	-8	3	2	0	5	-18	0	14	3
Hedge of net investment in foreign	-28	0	-28	-58	0	0	0	-30	0	-28
Fair value hedge	0	-1	1	0	0	1	0	0	0	1
Foreign exchange derivatives	**172**	**-54**	**226**	**4**	**6**	**-50**	**358**	**-91**	**0**	**226**
Fair value hedge	3	-7	9	1	2	0	19	-12	0	9
Hedge of net investment in foreign	169	-43	212	0	-4	-50	345	-78	0	212
Cash flow hedge	1	-4	5	3	1	-0	1	-0	0	5
Speculative	0	0	0	0	8	0	-8	0	0	0
Equity swaps	**2**	**11**	**-9**	**0**	**-9**	**2**	**-2**	**0**	**0**	**-9**
Speculative	2	11	-9	0	-9	2	-2	0	0	-9
TOTAL	**219**	**-95**	**314**	**131**	**-33**	**-84**	**352**	**-58**	**8**	**314**

Derivatives are recognized at market value at inception and at fair value at later dates. Changes in the value of these derivatives are recognized for accounting purposes as follows:

- Fair value changes during the year to cash flow hedging derivatives are recognized with a balancing entry in reserves (column I).
- Fair value changes to derivatives that do not qualify for hedge accounting or are deemed to be speculative are recognized separately as a fair value adjustment in the Group's income statement (column II).
- "Effect on net financial income/(expense)" (column III) reflects the effects from financing of interest flows accrued during the year.
- The "Cash" column (IV) refers to net settlements of receipts and payments during the year.
- The effect of foreign exchange fluctuations from 31 December 2022 to 31 December 2021 on currency translation differences is also presented separately (column V).
- The "Other effects" column shows the effects on operating profit/(loss), net financial income/(expense) (exchange rate) and other effects not previously mentioned (column VI).

C) DERIVATIVE MEASUREMENT METHODS

All the Group's financial derivatives and other financial instruments carried at fair value are included in Level 2 of the fair value hierarchy since, though they are not quoted on regulated markets, they are based on directly or indirectly observable inputs.

Fair value measurements are made by the Company using an tool developed in-house based on market best practices. However, they are reconciled against the values indicated by the counterparty banks on a monthly basis.

Equity swaps are measured as the difference between the quoted share price on the calculation date and the unit settlement (strike) price agreed at inception, multiplied by the number of shares under the contract.

The other instruments are measured by quantifying net future flows of payments and receipts, discounted to present value, as specified below:

- Interest rate swaps (IRS): future flows tied to floating reference rates are estimated using market projections on the measurement date for each currency and settlement frequency. Each flow is discounted using the discount factors on the date of each settlement period and currency at the measurement date.
- Index-linked swaps (ILS): future flows are estimated by projecting the future behavior implicit in the market curves on the measurement date for each currency and settlement frequency, for both reference interest rates and reference inflation rates. As in the cases described above, the flows are discounted at rates obtained at the measurement date for each flow settlement period and currency.

- Cross-currency swaps (CCS): future flows tied to floating reference rates are estimated using market projections on the measurement date for each currency and settlement frequency. Each flow is discounted using the market discount factors corresponding to the settlement period and currency at the measurement date, taking account of cross-currency basis spreads. The present value of the flows in a currency other than the measurement currency is translated at the spot exchange rate prevailing at the measurement date.
- Foreign currency derivatives: as a general rule, future flows are estimated using the exchange rates and market curves associated with each currency pair (forward points curve), and each flow is discounted using the market discount rate corresponding to the settlement period and currency at the measurement date. For other more complex instruments (options, etc.), appropriate measurement methods are used for each instrument, taking into consideration the necessary market data (volatilities, etc.).

Lastly, credit risk, which is included when measuring derivatives under IFRS 9, is estimated as follows:

- To calculate the adjustments associated with own and counterparty credit risk (CVA/DVA), Ferrovial applies a method based on calculating the future exposure of the various financial products using Monte Carlo simulations. A probability of default and a loss given default is applied to this potential exposure based on the parties' business and credit quality, as well as a discount factor based on the currency and term at the measurement date.
- To calculate probabilities of default for the Ferrovial Group companies, the Financial Risks Department assesses the counterparty's rating (company, project, etc.) using an in-house, rating agency-based method. This rating is used to obtain market spread curves for the currency and term in question (generic curves per rating level).
- Probability of counterparty default is calculated using the companies' CDS curves, if they are available. Otherwise, the CDS curves of a similar entity (proxy) or a generic spread curve per rating level are used.

SECTION 6: OTHER DISCLOSURES

This section includes other notes required under the applicable legislation.

Because of its importance, the following stand out the note 6.5 on contingent liabilities and assets, describing the main lawsuits in which Group companies are involved and the guarantees given, is particularly significant. Special emphasis is placed on the guarantees given by ex-infrastructure project companies on behalf of infrastructure project companies.

Movements in liabilities other than current liabilities and borrowings, such as provisions (Note 6.3), are also analyzed.

6.1. DEFERRED INCOME

Deferred income breaks down as follows at 31 December 2022 and 2021:

(Million euro)	2022	2021	VAR. 22/21
Capital grants	1,377	1,380	-3
Other deferred income	33	23	10
TOTAL DEFERRED INCOME	**1,410**	**1,403**	**7**

Capital grants awarded by government bodies relate entirely to infrastructure projects in the Toll Roads Division.

These grants are primarily found at the following Toll Road projects: EUR 425 million for LBJ Infrastructure Group, EUR 512 million for NTE Mobility Partners, EUR 211 million for NTE Mobility Partners Segments 3 LLC and EUR 214 million for I-77 Mobility Partners.

The main change during the financial year relates to NTE Mobility Partners Segments 3, a Cintra subsidiary in the US, which received fewer grants compared to the previous year, amounting to EUR 76 million.

The amounts received by the US companies rose by EUR 86 million thanks to the dollar's appreciation against the euro.

These capital grants are released to the income statement for the year at the same rate as the depreciation charged on the assets they finance, net of depreciation. The impact of the grants on cash flows is presented as an increase in investments.

6.2. PENSION PLAN DEFICIT

This heading reflects the deficit in pension and other employee retirement benefit plans. At 31 December 2022, the provision recognized in the balance sheet amounted to EUR 2 million and solely related to Budimex (EUR 3 million at 31 December 2021).

6.3. PROVISIONS

The provisions recognized by the consolidated Group cover risks arising in the course of business. They are recognized using best estimates of the risks and uncertainties and of related trends.

This note provides a breakdown of all provisions disclosed separately on the liabilities side of the balance sheet. In addition to these items, other provisions net certain asset items and are disclosed in the specific notes on those assets.

Movements in long- and short-term provisions presented separately on the liabilities side of the balance sheet are set out below:

(Million euro)	LITIGATION AND TAXES	REPLACEMENTS AND UPGRADES, IFRIC 12	OTHER LONG-TERM RISKS	TOTAL NON-CURRENT PROVISIONS	SHORT-TERM PROVISIONS	TOTAL
Balance at 31 December 2021 (*)	**276**	**88**	**58**	**422**	**1,002**	**1,424**
Scope changes and transfers	**-3**	**0**	**-13**	**-16**	**5**	**-11**
Appropriations:	**26**	**33**	**9**	**68**	**350**	**418**
EBITDA	21	0	2	23	338	362
Net financial income/(expense)	4	9	0	14	2	16
Impairment and disposals	0	0	7	7	10	17
Corporate income tax	0	0	0	0	0	0
Fixed asset depreciation	0	24	0	24	0	24
Reversals:	**-19**	**-29**	**-5**	**-54**	**-207**	**-261**
EBITDA	-12	0	-5	-17	-205	-223
Net financial income/(expense)	-1	0	0	-1	0	-1
Impairment and disposals	0	0	0	0	0	0
Corporate income tax	-6	0	0	-6	0	-6
Fixed asset depreciation	0	-29	0	-29	-2	-31
Applications with balancing entries in current accounts	**-6**	**0**	**0**	**-5**	**-196**	**-201**
Applications with balancing entries in other assets	**0**	**0**	**-1**	**-2**	**-19**	**-22**
Foreign exchange differences	**0**	**5**	**0**	**4**	**-5**	**-1**
Balance at 31 December 2022	**272**	**97**	**47**	**416**	**930**	**1,346**

(*) Restated figures (Note 1.1.5)

The table above shows the changes in the year by detailing, on the one hand, the consolidation scope changes and transfers, the charges for the year and reversals that had an impact on the various lines in the income statement and, on the other, other changes which did not have an impact thereon, such as amounts used recognized under various headings in the balance sheet and the exchange rate effect.

Litigation provisions and taxes

At 31 December 2022, the Group's litigation provisions totalled EUR 272 million. This heading includes the following items:

- Provisions to cover the possible risks resulting from lawsuits and litigation in progress, amounting to EUR 68 million (EUR 67 million in December 2021), largely relate to the Construction business. This provision is recognized and reversed against changes to provisions in EBITDA.
- Provisions for tax claims amounting to EUR 204 million (EUR 209 million at 31 December 2021), arising in relation to local or central government duties, taxes or other levies as a result of the different possible interpretations of tax legislation in the various countries in which the Group operates (Note 6.5.1.e). These provisions are recognized and reversed against EBITDA, against net financial income/(expense) and/or against corporate income tax, depending on the nature of the tax for which the provision has been recognized (penalties, related interest, and/or contested tax assessments).

Provision for replacements under IFRIC 12

This heading includes the provisions for replacement investments under IFRIC 12 (Note 1.3.3.2), totalling EUR 97 million. This provision is recognized and reversed against depreciation charged during the period in which the obligations accrue, until the replacement becomes operational. The net depreciation charges amounted to EUR -6 million.

Provisions for other long-term risks

This heading includes provisions recognized to cover certain long-term risks other than those attributable to litigation or tax claims, such as third-party liability resulting from the performance of contracts, guarantees given and exposed to enforcement risk, and other similar items, which amounted to EUR 47 million at 31 December 2022 (EUR 58 million at 31 December 2021).

It also contains the estimated cost of landfill closure and post-closure activities relating to Budimex and Waste Tretament UK (Thalia). The provision is calculated based on a technical estimate of total landfill capacity consumed to date. It is recognized and reversed against changes to provisions in EBITDA, as and when the landfill closure costs are incurred. The balance recognized for this item at 31 December amounted to EUR 14 million.

Lastly, this heading includes the provision for compulsory purchases for the Azores toll road.

Short-term provisions

At 31 December 2022, the short-term provisions balance amounted to EUR 930 million (EUR 1,002 million at 31 December 2021).

This heading relates essentially to provisions for contracts with customers, such as provisions for deferred expenses (relating to project close-out under the contract) and provisions for budgeted losses. Provisions of this kind relate primarily to the Construction Division in the amount of EUR 815 million (EUR 855 million in 2021) and Waste treatment (Thalia), in the amount of GBP 61 million (EUR 69 million). These provisions are linked to the average life of projects (from 3 to 5 years) and therefore they are classified as short-term provisions.

They are recognized and reversed against changes to provisions in EBITDA.

The change during the year is essentially explained by net provisions recognized in the Construction Division (EUR 129 million), basically in the Polish business, and to the application of provisions (EUR -169 million), relating particularly to budgeted losses in the US business.

Reconciliation with the cash flow statement

An analysis of the overall effect on the income statement reveals a net appropriation (expense) of EUR 139 million, which impacts EBITDA, relating primarily to the Construction Division (appropriation of EUR 345 million and reversal of EUR -210 million), mainly in the Polish business.

Provisions have also been applied during the year with balancing items in working capital accounts in the amount of EUR -201 million, mainly relating to the Construction Division (EUR -174 million). The sum of the appropriation/reversal (EUR 139 million), application (EUR -201 million) and other effects similar to provisions for doubtful receivables that are not included in the breakdown of liability provisions (EUR -6 million) are explained for working capital purposes in the cash flow statement, for a total amount of EUR -68 million (Note 5.3).

6.4. OTHER LONG-TERM PAYABLES

This heading mainly includes:

- Participating loans granted by Spain's Central Government to various infrastructure project concession operators totalling EUR 51 million at 31 December 2022 (EUR 49 million at 31 December 2021) for the Aragón toll road in the Toll Roads Division.
- Long-term loans from associates of the Toll Roads Division amounted to EUR 22 million (EUR 22 million at 31 December 2021).
- The debt of the Dalaman International Airport with the administration for the concession fee, which amounted to 277 million euros in the long term at the end of the year.
- The debt for the mandatory payments of the concession agreement on the I-66 which amounted to 485 million euros.

6.5. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

6.5.1. Litigation and other contingent liabilities

The Group is exposed to risks derived from the resolution of lawsuits or litigation of different kinds arising in the course of business. When such risks are deemed to be probable, accounting provisions must be recorded for the lawsuits and litigation using the best estimate of the disbursements that are expected to be necessary to settle the obligation. These provisions are set out in Note 6.3. When such risks are less likely to materialize, contingent liabilities are recognized and must be disclosed in the Annual Accounts in accordance with accounting legislation. No significant liabilities are envisaged that have a material adverse effect, other than those for which provisions have already been recognized.

The Group also records contingent assets, i.e. assets that might arise from various proceedings in progress. Assets of this kind are not recognized in the financial statements since it is not practically certain that they will materialize, as required by accounting legislation.

There follows a description of the most significant litigation, in terms of the amount, in the Group's various business divisions: This includes those that may generate both liabilities or assets.

a) Litigation and other contingent liabilities relating to the Toll Road business

US Toll roads: NTE 35W

On 11 February 2021, there was a multiple accident on the 35W Managed Lanes toll road in Dallas, Texas involving 133 vehicles and resulting in six deaths and several people injured.

The concession company NTE Mobility Partners Segment 3 LLC, which is 53.66% -owned by Cintra, together with several US Group companies, is a party in 31 of the claims that have been filed and are in the early stages of legal proceedings.

The concession company considers reasonable, in accordance with the opinion of its external legal advisors, that even in the event of an unfavorable ruling, no impact is expected given the insurance policies contracted and, consequently, no provision has been recorded in relation to this risk.

Court proceedings instigated by the financial institutions of the Radial 4 project:

With regard to Radial 4, in June 2013 a group of financial institutions from the banking syndicate that was financing the Project filed court proceedings with Madrid Court of First Instance No. 61 against the shareholders of the concession company that had guaranteed the contribution of contingent capital in certain circumstances, namely Cintra Infrastructures, SE – and Sacyr Concesiones, S.L.

In that lawsuit, they sought the enforcement of a guarantee that had been put in place by the shareholders, on the grounds of an alleged breach of certain ratios. This corporate guarantee amounts to EUR 23 million, of which Cintra's share is EUR 14.95 million.

Following the Madrid Provincial Court allowing the banks' appeal after studying the merits of the case, the claiming shareholders lodged a cassation appeal at the Supreme Court on 10 December 2020, which continues to be pending admission. To date, there have been no changes to the status of this litigation.

At year-end 2022, both the EUR 14.95 million of the guarantees given and the EUR 5.67 million in default interest accruing since the proceeding began were fully provisioned.

Netflow Western Roads - OSARs Western (Australia)

As commented in the June 2022 Interim Consolidated Financial Statements, in relation to the Osars project in which Cintra has a 50% stake and which is consolidated by the equity method, on February 23, 2022, the construction subcontractor in charge of the construction project works, WBHO Infrastructure Pty Ltd (WBHO), filed for insolvency proceedings. However, at present, the works are 99.9% complete as the concessionaire has taken the necessary steps to complete the construction.

In view of the progress of the works and the commercial management carried out, at the date of issuance of these accounts, there is no termination risk that could arise from the aforementioned situation; consequently, it is not necessary to record any provision in relation to this risk.

As indicated in Note 3.5, the consolidated value of Ferrovial's shareholding at 31 December 2022 is 49.8 million euro.

b) Litigation relating to the Construction business

Contingent liabilities

The Construction Division is involved in a number of ongoing legal actions, relating to construction defects in the building work it has completed and claims for civil liability. As indicated in note 6.3, provisions amounting to 56 million euros have been recorded in relation to these lawsuits. The provision recorded for each of the lawsuits in no case exceeds the amount of 10 million euros and corresponds to the best estimate made by the company on the possible impact of the same.

Below is a description of the most relevant lawsuits in terms of amount, and how one lawsuit that has generated an asset in favor of the company that has been recorded in the financial statements for the fiscal year.

Construction business Spain:

In 2019, the Spanish National Markets and Competition Commission (CNMC) initiated penalty proceedings against Ferrovial Construcción, S.A. and other construction firms for alleged anti-competitive behavior.

As outlined by the Competition Directorate (CD), this behavior ostensibly consists of the exchange of certain information between companies for the purposes and/or with the effect of restricting competition during the course of the competitive tendering processes organized by Public Authorities in Spain for the construction and refurbishment of infrastructure and buildings.

On 6 July 2022, the Spanish National Markets and Competition Commission (CNMC) issued a resolution stating that it had been proven that Ferrovial Construcción S.A. had committed a very serious infringement of Article 1 of the Competition Law and Article 101 of the European Union Treaty and imposing a fine of EUR 38.5 million.

Ferrovial Construcción filed a contentious-administrative appeal against the CNMC's resolution at the National High Court on 4 October. The claim also requested a precautionary measure staying enforcement, which is currently being processed.

On 9 December, the National High Court agreed to suspend the resolution issued by the CNMC's Competition Court.

The Group considers that the outcome of this lawsuit is unlikely to be unfavorable and therefore no amount has been provisioned in this respect.

D4R7 project (Slovakia)

In June 2019, the Provincial Headquarters of the National Police in Bratislava (Slovakia) initiated *ex officio* a criminal investigation against the joint venture that executed the D4R7 toll road construction project in Bratislava, formed by Ferrovial and PORR (65% and 35%, respectively). The grounds for the investigation are alleged environmental risks and damage defined in the Slovakian Criminal Code due to having allegedly authorized the exploitation of two plots of land in Jánošíková as loans for the construction of the R7 toll road without having obtained the necessary permits. The prosecution quantifies the damages at EUR 8.7 million (100% of the risk.

The plots in question do not form part of the site layout, although the materials extracted from the plots, as agreed with the owners (who have stated that they incurred no damage), were used in the project. All the formalities were carried out through a subcontractor, including the obtainment of permits.

In the course of the investigation, there has been a succession of accusations, defense submissions and various expert reports. The final expert report was submitted by the JV in December 2022. The prosecutor has sent the case file to the court. The judge will decide whether to set the case for trial or return the proceedings to the prosecutor's office for further investigation.

In the opinion of the JV' lawyers, it is improbable that the investigation will give rise to risk and no provision has therefore been set aside in this respect.

Batinah project - Oman

The joint venture FSB Batco - Ferrovial Construcción (50%-owned by each venturer) completed the construction of the project called "the Batinah Expressway Project Package 5" toll road in Oman. The JV initiated an international arbitration proceeding against the Government of the Sultanate of Oman. The JV claimed compensation for significant delays and cost increases arising from numerous circumstances qualifying for compensation under the contract, in the JV's opinion.

In July 2022, the JV received the arbitral award quantifying compensation at EUR 50.3 million.

The award is considered to be virtually certain, so this amount has been recognized as revenue in the 2022 income statement. It will be definitive once the final deadline for challenging the award is reached on 27 February 2023.

On February 27, 2023, after the closing date, the deadline for the Omani government to submit allegations against the act of enforcement of the award has expired, and no allegations have been submitted in this regard.

FB Serwis (Poland)

FB Serwis S.A. is a subsidiary of Budimex, S.A. whose non-current assets represent 0.36% of Ferrovial's total assets.

In January 2023, one employee of FBSerwis S.A. (hereinafter FBS) was arrested by the Central Anti-Corruption Agency (CBA). On February 1, two other executives of the same company were arrested and, at the same time, several documents and data relating to this employee were seized at FBS headquarters.

At the beginning of February 2023, information on the arrests and the conduct of an investigation into possible criminal actions was published on the public prosecutor's website.

The proceedings relate to potential irregularities in tenders organized by the Warsaw Municipal Wastewater Treatment Works for contracts for municipal waste disposal. The value of the irregularities could amount to approximately PLN 5 million (EUR 1 million), according to the Prosecutor.

As of the date of issuance of these accounts, several people have been arrested in the framework of the ongoing proceedings; among them, a total of 3 employees of the FBS group, including the president, also a member of the Management Committee of Budimex S.A., and the vice-president; for the latter two, pre-trial detention for a term of 2 and 3 months, respectively, has been ordered. The third was the commercial director of FBSerwis Kamieńsk sp. z o.o., a subsidiary of FBS. As a consequence of the above, the FBS' Board of Directors decided to suspend the President and the Vice President for identical periods. The same decision was taken by the Budimex SA' Board of Directors in relation to the President of FBS.

In the opinion of the legal counsel engaged by Budimex, at the date of issuance of these accounts, the risk that the company could be held liable for the events under investigation is remote. The liability of a legal entity is conditional, according to Polish law, on the prior conviction of an individual acting on behalf of the company. In this regards, Budimex Group companies cannot be excluded from public procurement processes unless the members of the management, governing bodies or commercial representatives have been validly convicted of offenses defined in the Criminal Law. Therefore, according to the existing information, and as of the closing date of these accounts, the premises giving rise to liability have not materialized.

In addition, the legal advisors, who estimate that the duration of the proceedings could last several years, inform that the actual application of the law, in its current formulation, is extremely rare and the fines imposed on the entities are not significant (up to PLN 5 million). Based on the above arguments, at year-end, no liability has been recognized in the Group's financial statements in relation to this matter.

Furthermore, the Boards of Budimex SA and FBS SA have ordered an internal investigation to clarify the facts, showing their full cooperation with the authorities.

Contingent assets

In view of the nature of the business, the Construction Division has brought claims against various customers that could give rise to additional receivables. As indicated in the Accounting policies section (1.3.3) these claims are not recognized as revenue until they are considered approved, and are only considered in the calculation of provisions for budgeted losses if they are considered probable.

c) Tax-related litigation

As indicated in Note 6.3, Ferrovial has recognized provisions for taxes for a total amount of EUR 200 million.

These provisions relate essentially to ongoing litigation arising from tax assessments raised following tax inspections in Spain for a disputed sum of EUR 332.4 million, the most significant being corporate income tax and VAT for the periods 2002 to 2017.

The most noteworthy litigation is described below:

a. The proceedings relating to the amortization for tax purposes of financial goodwill on the acquisitions of Amey and Swissport. Ferrovial has lodged an appeal against the decision by the European Commission in 2014 ("Third Decision"), in which this kind of tax measure is classed as state aid. Although we consider there to be sound grounds supporting the Group's procedural stance, if the court judgement is unfavorable there will be an adverse effect of EUR 84.9 million on Ferrovial's income statement in relation to corporate income tax for the period 2002 to 2021. The maximum amount payable would be EUR 44.3 million, as the remainder has already been settled.

b. The cassation appeal filed at the Supreme Court against the settlement resolution arising from the tax assessment raised on Ferrovial, S.A. for 2006 corporate income tax. The main matter in dispute is the application of the deduction for export activities relating to the 2006 investment made to acquire the ownership interest in the former BAA (Heathrow). This contingency amounts to EUR 119.2 million (fully provisioned).

6.5.2. Guarantees

a) Bank guarantees and other guarantees issued by insurance companies

In the course of business, the Group is exposed to possible risks the materialization of which is uncertain, relating to liability under the various contracts entered into in its business divisions.

The Group obtains bank guarantees and other guarantees issued by insurance companies to cover such liabilities. At 31 December 2022, the balance amounted to EUR 8,093 million (EUR 7,099 million in 2021).

The following table contains a breakdown of the risk covered in each business area:

(Million euro)	Dec. 2022	Dec. 2021
Construction	6,067	5,284
Toll Roads	642	856
Airports	1,044	42
Energy and mobility infrastructures	81	0
Other	258	315
Total continuing operations	**8,093**	**6,497**
Services	0	603
Total discontinued operations	**0**	**603**
TOTAL	**8,093**	**7,099**

The EUR 8,093 million, by type of instrument, relate to: i) EUR 3,806 million of bank guarantees; ii) EUR 3,673 million of guarantees provided by bonding agencies and iii) EUR 614 million of bank guarantees provided by insurance companies.

These guarantees cover the liability to customers for the proper performance of construction or services contracts involving Group companies; the guarantee would be enforced by the customer were a project not carried out.

Despite the significant amount of these guarantees, the impact that might arise is very low, since the Group Companies perform contracts in accordance with the terms and conditions agreed upon with the customers and recognize provisions within the results of each contract for potential risks that might arise from performance thereof (Note 6.3).

Lastly, of the total amount of the Group's bank guarantees for continuing operations listed in the above table, EUR 1,155 million secures commitments to invest in the capital of infrastructure project companies, mainly, in JFK-NTO (Note 6.5.3).

b) Guarantees given by Group companies for other Group companies

As indicated previously, guarantees are generally given among the Group companies to cover third-party liability arising from contractual, commercial or financial relationships.

Although these guarantees do not have any effect at the Group's consolidated level, there are certain guarantees provided by ex-infrastructure project companies to infrastructure project companies (Note 1.1.2.) which should be noted due to the classification of project borrowings as non-recourse debt (see b.1 contingent capital guarantees).

Other guarantees have also been given to equity-accounted companies (see b.2. below).

b.1) Guarantees provided by ex-infrastructure project companies to infrastructure project companies to secure borrowings, which could give rise to future additional capital disbursements should the guaranteed events take place (contingent capital guarantees).

Two types of guarantees are given by ex-infrastructure project companies to infrastructure project companies:

- Guarantees securing the proper performance of construction and service contracts (Note 6.5.2.a).
- Guarantees related to risks other than the correct performance of construction and service contracts, which could give rise to future additional capital disbursements should the guaranteed events take place (some of which are also included in note 6.5.2.a) because they are bank guarantees).

The latter guarantees are explained in further detail in this section since, as mentioned in Note 5.2. on the net cash position, infrastructure project company borrowings are without recourse to the shareholders or with limited recourse to the guarantees provided and, therefore, it is relevant to distinguish the guarantees which, should the guaranteed event occur, could be enforced and lead to payments to the infrastructure project companies or the holders of their debt, other than the committed capital or investment mentioned in Note 6.5.3. They are referred to as contingent capital guarantees.

The detail, by beneficiary company, purpose and maximum amount, of the outstanding guarantees of this nature at 31 December 2022 relating to fully consolidated infrastructure project companies is as follows. It should be noted that the following amounts relate to Ferrovial:

BENEFICIARY COMPANY (PROJECT)	GUARANTEE PURPOSE	AMOUNT
Conc. Prisiones Lledoners	Technical guarantee to repay amounts to the bank in the event of termination of the contract. Does not cover insolvency (default) or breach by the awarding entity	66
GUARANTEES FOR CONSTRUCTION PROJECTS		**66**
I-66	Guarantee covering project cost overruns.	14
GUARANTEES FOR TOLL ROAD PROJECTS		**14**
Centella + Tap Mauro	Bank guarantees to cover the achievement of various milestones and payment of any fines during the initial execution period. PCG to cover the liquidity gap up to EUR 20 million	**38**
GUARANTEES FOR ENERGY AND MOBILITY PROJECTS		**38**
Dalaman	Bank guarantee to cover the debt ratios	6
AIRPORT PROJECT GUARANTEES		**6**
TOTAL GUARANTEES FOR FULLY-CONSOLIDATED INFRASTRUCTURE PROJECTS		**124**

In Toll Roads, the I-66 project is also secured by a bank guarantee given by third parties in the amount of EUR 3 million covering potential cost overruns.

The detail of the amounts of the guarantees, in relation to the financing of the equity-accounted infrastructure projects and, accordingly, the borrowings of which are not included in the Group's Consolidated Annual Accounts is as follows.

BENEFICIARY COMPANY	GUARANTEE PURPOSE	AMOUNT
Serrano Park (Cintra)	Guarantee covering repayment of borrowings	3
Bucaramanga	Guarantee limited to construction works cost overruns	3
ETR Extension	Guarantee covering project cost overruns.	12
407 EXT PHASE II	Guarantee covering debt ratios.	6
TOTAL GUARANTEES FOR EQUITY-ACCOUNTED INFRASTRUCTURE PROJECT COMPANIES		**25**

There is also a corporate guarantee in the amount of EUR 23 million in relation to the Radial 4 project, of which Cintra's share is EUR 14.95 million. At year-end 2022, both the EUR 14.95 million of the guarantees given and the EUR 5.3 million in default interest accruing since the proceeding began were fully provisioned (Note 6.5.1.a).

b.2) Other guarantees given to concession companies (Note 3.2.)

The "Thalia" Group operates four waste treatment plants generating energy during the process in the UK. The plants are run under construction and operation concessions granted by the local authorities. Three are already operational in Cambridge, North York and Milton Keynes, and operations are expected to begin at the Isle of Wight plant in 2023. The concession agreements expire between 2033 and 2042.

The plants were being operated by Thalia, which was still part of the Amey Group, so the contractual commitments were secured by Amey and by Cespa (Prezero nowadays), the parent company of the waste treatment business in Spain that was sold to a third party in 2021. Thalia's assets were excluded from the scope of the Amey sale. As the Amey sale was completed in December 2022, those assets had already been transferred within the Ferrovial Group. In parallel, the guarantees securing fulfilment of commitments relating to the assets are expected to be reemplaced by other Group companies in 2023.

The guarantees given by various Group companies total GBP 322 million. The guarantee may be unlimited in certain specific scenarios involving fraud, willful misconduct or abandonment of the asset.

In recent years, the plants have had issues in both the construction phase and the commissioning and operation phase, particularly in the case of Milton Keynes and the Isle of Wight. As indicated in 6.3., at year-end 2022, the Group recognized a provision for future losses covering these plants in the amount of GBP 61 million (EUR 70 million). The provision does not include structural costs of the business estimated at GBP 7 million per annum.

b.3) Guarantees given in divestment processes

The sale agreements entered into during the divestment of the former Services Division include various guarantees given to the buyers in connection with a number of potential lawsuits or litigation in progress on the transaction dates.

Guarantees that met the relevant requirements of accounting legislation (IAS 37) were provisioned at the year-end. These provisions amount to EUR 22 million.

The main guarantees are as follows:

Litigation relating to the penalty proceedings opened by the Spanish National Markets and Competition Commission (CNMC) in relation to the road maintenance sector (see point 6.5 of the 2021 Ferrovial Annual Accounts):

In July 2019, the CNMC initiated penalty proceedings against Ferroser Infraestructuras, S.A. (currently Serveo Infraestructuras S.A.), as well as against other companies in the sector, due to alleged anti-trust practices during tendering for maintenance and operations services for the State Road Network, arranged by the Ministry of Public Works.

In August 2021, notice was received of a Resolution by the CNMC's Board declaring a very serious infringement of Article 1 of the Spanish Competition Law (LDC) and Article 101 of the Treaty on the Functioning of the European Union (TFUE). The Board imposed a fine of EUR 5.7 million.

A contentious-administrative appeal has been filed against the resolution at the National High Court. In December 2021, notification was received of the admission of the appeal. On 22 February 2022, notification was received of the decision to suspend the penalty resolution in relation to both the fine and the prohibition on contracting. The appealed was suspended on 10 May 2022.

Ferroser Infraestructuras, S.A. (now Serveo Infraestructuras, S.A.) is one of the companies sold as a result of the divestment of the infrastructure maintenance business in Spain completed on 31 January 2022 and is therefore no longer controlled by Ferrovial, S.A.

Ferrovial gave a guarantee of EUR 6 million to the buyer in relation to this lawsuit, though for a limited period. This amount has been provisioned.

Tax Proceedings

Guarantees have been granted to PREZERO in connection with various ongoing tax proceedings. The amount of the guarantees, which has been provisioned, amounts to EUR 5.9 million.

c) Security interests in assets

Security interests in assets are described in the following notes:

- Guarantees given for fixed assets (Note 3.4)
- Security interests in deposits or restricted cash (Note 5.2).

d) Guarantees received from third parties.

At 31 December 2022, Ferrovial had received guarantees from third parties totalling EUR 1,631 million (EUR 1,1491 million at 31 December 2021), mainly in the Ferrovial Construcción companies in the United States (EUR 1,131 million), the Budimex Group (EUR 166 million) and other construction companies (EUR 354 million), particularly noteworthy were the companies in the UK (EUR 107 million) and Australia (EUR 87 million).

These third-party guarantees are technical guarantees that are offered by certain subcontractors or suppliers in the construction business in order to guarantee complete compliance with their contractual obligations with regard to the work they are engaged to complete and may not be sold or pledged.

6.5.3. Commitments

As described in Note 1.1, the infrastructure projects are performed through long-term contracts where the concession operator is a company in which the Group has interests, either alone or together with other partners, and the borrowings necessary for financing the project are allocated to the project itself, without recourse to the shareholders or with recourse limited to the guarantees provided, under the terms set forth in Note 5.2. From a management viewpoint, Ferrovial takes into account only the investment commitments relating to project capital, since the investment in the assets is financed by the project company's borrowings.

a) Investment commitments

The investment commitments undertaken by the Group in relation to the capital contribution in infrastructure projects amount to EUR 1,163 million (EUR 517 million in December 2021). The increase during the year is explained primarily by the commitments made by Ferrovial to contribute capital to the new Terminal One at New York's JFK Airport. The investment commitments at 31 December 2022 amount to EUR 1,008 million. Additionally, regarding to International Airport of Dalaman there is a commitment of equity contribution of EUR 16 million mainly related to a deferred payment (Note 1.1.4.a). This increase related to the investment commitments has been partially offset by a reduction in capital committed to the Toll Roads business due primarily to the investments made in toll road projects in the US and Slovakia in 2022.

A breakdown of the Group's commitments to investment in infrastructure project company capital is as follows:

(Million euro)	2023	2024	2025	2026	2027	2027 AND BEYOND	TOTAL
Toll Roads	89	10	0	0	0	0	100
Airports	16	0	0	0	0	0	16
Energy and Mobility	3	0	0	0	0	0	3
INVESTMENTS IN FULLY-CONSOLIDATED INFRASTRUCTURE PROJECT COMPANIES	**108**	**10**	**0**	**0**	**0**	**0**	**118**
Toll Roads	5	0	26	0	0	0	31
Airports	221	474	249	69	0	0	1,013
Construction	1	0	0	0	0	0	1
INVESTMENTS IN EQUITY-ACCOUNTED INFRASTRUCTURE PROJECT COMPANIES	**229**	**478**	**278**	**69**	**0**	**0**	**1,045**
TOTAL INVESTMENTS IN INFRASTRUCTURE PROJECT COMPANIES	**337**	**488**	**278**	**69**	**0**	**0**	**1,163**

The Toll Roads Division includes EUR 54 million in relation to the I-66 project (EUR 349 million in 2021). The Energy and Mobility investment commitments relate to a solar plant in Seville.

Under the AGS refinancing agreement described in Note 5.4.c.v, Ferrovial also committed to inject up to GBP 15 million into AGS (50% share capital - 50% debt) subject to the fulfilment of certain liquidity conditions to the maturity date of the loan in 2024. Total commitments to contribute capital to the equity-accounted airport infrastructure project companies (EUR 1,013 million) include EUR 5 million for AGS under that agreement.

In addition, commitments were made to invest up to EUR 53 million in companies in which Ferrovial holds non-controlling interests that are engaged in innovation projects related primarily to energy and mobility.

b) Environmental commitments

Any operation undertaken mainly to prevent, reduce or repair damage to the environment is treated as an environmental activity.

Costs incurred to protect and improve the environment are taken to profit or loss in the year in which they are incurred, irrespective of when the resulting monetary or financial flow takes place.

Provisions for probable or certain environmental liability, litigation in progress and indemnities or other outstanding obligations of undetermined amount not covered by insurance policies are recorded when the liability or obligation giving rise to the indemnity or payment arises.

6.6. REMUNERATION OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

6.6.1. Directors' remuneration for holding office

Under the Company's current remuneration scheme, regulated by Article 56 of its bylaws, the Annual General Meeting determines the maximum annual remuneration for all the members of the Board of Directors.

The Directors' Remuneration Policy approved by the Company's Annual General Meeting on 7 April 2022 fixed the overall maximum annual amount of directors' remuneration at EUR 1,900,000 for the duration of the policy (from the approval date and for the following 3 years: 2023, 2024 and 2025).

Directors' remuneration comprises: (i) a fixed allowance, a part of which is paid in quarterly instalments and the remainder (supplementary fixed allowance) in a single payment at the end of the financial year; and (ii) per diems for actual attendance at Board and committee meetings. Remuneration is linked to the functions and responsibilities assigned to each director, membership of Board committees and other objective circumstances that the Board of Directors deems relevant, thereby ensuring their long-term independence and commitment.

On the same date these annual accounts are authorized for issue, the Board of Directors issues and makes available to the shareholders the Annual Report on Directors' Remuneration referred to in Article 541 of the Spanish Companies Act. The report describes in greater detail aspects of the Company's remuneration policy applicable in the current year, providing an overview of how it was applied in 2022 and a breakdown of the individual remuneration accrued to each director in 2022. The table below shows the itemized bylaw-stipulated remuneration of the members of the Board of Directors accrued during 2022 and 2021.

Should more meetings be held than initially envisaged or, for any other reason, the total and joint maximum annual amount is exceeded, the difference is firstly deducted from the amount of the additional fixed allocation proportionally for each director on the basis of Board status. In accordance with the resolutions adopted by the Board of Directors, if the amount of per diems plus the amount of fixed components does not reach the said maximum annual figure, the difference will be distributed among the directors on a pro rata basis reflecting their period of office during the year. This distribution was carried out in 2021 and 2022, adding the amount to the supplementary fixed allowance.

The difference between the amounts of per diems and supplementary fixed allowances in 2022 and 2021 is explained by the fact that: (i) there were more meetings in 2021 than in 2022; and (ii) the amount distributed to the directors as described in the previous paragraph was higher in 2022.

This table does not include remuneration received by the executive directors for discharging executive duties at the Company, as described in Note 6.6.2.

				2022
DIRECTOR (Thousand euro)	FIXED ALLOWANCE	PER DIEMS	ADDITIONAL FIXED REMUNERATION(a)	TOTAL
Rafael del Pino Calvo-Sotelo	35	103	107	**245**
Oscar Fanjul Martín	35	73	96	**204**
Ignacio Madridejos Fernández	35	51	61	**148**
María del Pino y Calvo-Sotelo	35	51	61	**148**
José Fernando Sánchez-Junco Mans	35	58	61	**154**
Philip Bowman	35	47	61	**143**
Hanne Birgitte Breinbjerg Sorensen	35	41	61	**137**
Bruno Di Leo	35	49	61	**146**
Juan Hoyos Martínez de Irujo	35	51	61	**148**
Gonzalo Urquijo Fernández de Araoz	35	54	61	**150**
Hildegard Wortmann	35	36	61	**132**
Alicia Reyes Revuelta	35	47	61	**143**
TOTAL	**420**	**662**	**818**	**1,900**

(a) Includes the amount of the difference up to the maximum annual amount of the 2022 compensation distributed pro rata among the Directors.

(*) The amounts shown are rounded.

				2021
DIRECTOR (a) (Thousand euro)	FIXED ALLOWANCE	PER DIEMS	ADDITIONAL FIXED REMUNERATION(b)	TOTAL
Rafael del Pino Calvo-Sotelo	35	122	92	**250**
Oscar Fanjul Martín	35	83	81	**199**
Ignacio Madridejos Fernández	35	61	46	**142**
María del Pino y Calvo-Sotelo	35	61	46	**142**
Santiago Fernández Valbuena (up to and including 4/5/2021)	12	18	16	**46**
José Fernando Sánchez-Junco Mans	35	76	46	**157**
Joaquín del Pino y Calvo-Sotelo (up to and including 4/5/2021)	12	12	16	**40**
Philip Bowman	35	59	46	**140**
Hanne Birgitte Breinbjerg Sorensen	35	50	46	**131**
Bruno Di Leo	35	58	46	**139**
Juan Hoyos Martínez de Irujo	35	61	46	**142**
Gonzalo Urquijo Fernández de Araoz	35	59	46	**140**
Hildegard Wortmann (from 6/5/2021)	23	36	30	**89**
Alicia Reyes Revuelta (from 6/5/2021)	23	36	30	**89**
TOTAL	**420**	**793**	**635**	**1,848**

(a) Continuance in the post. Full year, unless otherwise stated.

(b) Includes the amount of the difference up to the maximum annual amount of the 2021 compensation distributed pro rata among the Directors.

(*) The amounts shown are rounded.

6.6.2. Individual executive directors' remuneration

a) Remuneration accrued in 2022 and 2021.

In 2022, the following remuneration accrued to the executive directors for the performance of their functions, irrespective of the remuneration referred to in the preceding section.

			2022
EXECUTIVE DIRECTORS' REMUNERATION * (Thousand euro)	RAFAEL DEL PINO	IGNACIO MADRIDEJOS (2)	TOTAL
Fixed remuneration	1,500	1,150	2,650
Variable remuneration	2,609	1,538	4,147
Life insurance premiums	10	5	15
Share plans (1)	883	183	1,066
Total 2022	**5,002**	**2,876**	**7,878**

* Remuneration as executive directors

(1) In March 2022, a number of shares equivalent to the level of completion of the units allocated in 2019 were delivered, after the relevant withholdings had been made. The CNMV was notified of the shares received by Rafael del Pino and by Ignacio Madridejos on 21/3/2022 and 17/3/2022, respectively.

(2) In 2022, the amount of EUR 8 thousand was allocated to Ignacio Madridejos as remuneration in kind relating to a company car.

The 2021 information is shown in the following table:

			2021
EXECUTIVE DIRECTORS' REMUNERATION * (Thousand euro)	RAFAEL DEL PINO	IGNACIO MADRIDEJOS (2)	TOTAL
Fixed remuneration	1,500	1,100	2,600
Variable remuneration	2,275	1,283	3,558
Life insurance premiums	9	4	13
Share plans (1)	490	0	490
Total 2021	**4,274**	**2,387**	**6,661**

* Remuneration as executive directors

(1) In March 2021, a number of shares equivalent to the level of completion of the units allocated in 2018 were delivered, after the relevant withholdings had been made. The CNMV was notified on 22/3/2021.

(2) In 2021, the amount of EUR 8 thousand was allocated to Ignacio Madridejos as remuneration in kind relating to a company car.

b) Share-based remuneration schemes

There follows a breakdown of the share-based remuneration schemes linked to objectives, entitlement to which has not yet vested:

EXECUTIVE DIRECTORS' PLAN AT 31.12.2022		UNITS	NO. OF VOTING RIGHTS	NO. OF VOTING RIGHTS
Rafael del Pino y Calvo-Sotelo	2020 allocation	46,500	46,500	0.006%
	2021 allocation	67,500	67,500	0.009%
	2022 allocation	56,400	56,400	0.008%
Ignacio Madridejos Fernández	2020 allocation	46,500	46,500	0.006%
	2021 allocation	67,500	67,500	0.009%
	2022 allocation	56,400	56,400	0.008%

6.6.3. Pension funds and plans or life insurance premiums

As in 2021, no contributions were made in 2022 to pension plans or funds for former or current members of the Company's Board of Directors or for directors of the Company who are members of other Boards of Directors and/or senior managers of Group companies and associates. No such commitments were made during the year.

As regards life insurance premiums, the Company has insurance policies covering death (for which premiums totaling EUR 15 thousand were paid in 2022; EUR 132 thousand in 2021) under which the executive directors are beneficiaries. No life insurance premiums were paid for Company directors who are members of other Boards of Directors and/or senior managers of Group companies or associates.

Lastly, the Company has arranged a third-party liability insurance policy covering the directors and managers of the Group companies parented by the Company. The insured parties include the Company's directors. The premium paid in 2022 under the aforementioned insurance policy amounted to EUR 1,097 thousand (EUR 1,300 thousand in 2021).

6.6.4. Advances and loans

At 31 December 2022, no advances or loans had been granted by the Company to the directors in their capacity as such or as members of other Boards of Directors or senior managers of Group companies or associates.

6.6.5. Senior management remuneration

The overall remuneration accrued to the Company's senior managers in 2022 is analyzed below:

SENIOR MANAGEMENT REMUNERATION (Thousand euro) (*)	2022	2021
Fixed remuneration	4,755	5,636
Variable remuneration	4,822	5,033
Performance-based share plan	1,629	1,494
Exercise of stock option plans and/or other financial instruments (see description)	0	0
Remuneration as members of administrative bodies of other Group companies, jointly-controlled entities or associates	32	31
Insurance premiums	19	17
Other (1)	0	6,990
Total	**11,257**	**19,201**

(1) Departure of three senior managers (amount subject to personal income tax) and a joining bonus.

(*) The average remuneration of senior management is not broken down by gender in order to preserve the confidentiality of remuneration, as there is only one woman in this group.

The remuneration shown corresponds to the holders of the following positions: General Secretary, Chief Financial Officer, Chief Human Resources Officer, Chief Construction Officer, Chief Airports Officer, Chief Toll Roads Officer, Chief Energy and Mobility Infrastructure Officer, Chief Information and Innovation Systems Officer, Chief Internal Audit Officer, Chief Communications and Corporate Responsibility Officer, Chief Strategy Officer, Chief Compliance and Risk Officer and Chief Sustainability Officer. The remuneration of the members of senior management who have been Executive Directors at the same time is not included, since it is indicated in the Note 6.6.2.

The Company has also implemented a "Flexible Remuneration Scheme", which allows employees to voluntarily change their remuneration package based on personal needs, replacing a portion with certain benefits in kind. These products include a life and retirement savings group insurance scheme. Participants may request that a portion of their gross annual remuneration be paid by the Company in the form of a premium under a life and retirement savings group insurance policy. The senior managers requested contributions totaling EUR 39 thousand from the Company, replacing the remuneration shown in the table above (EUR 131 thousand in 2021).

6.6.6. Other disclosures on remuneration

The agreements between the Company and the senior managers specifically provide for the right to receive the indemnities referred to in Article 56 of the Spanish Labour Statute in the event of unfair dismissal.

In order to encourage loyalty and continuity, a deferred remuneration scheme was granted to thirteen senior managers, including one executive director. The scheme consists of extraordinary remuneration that will only be paid in one of the following circumstances:

- Exit of the senior manager by mutual agreement upon reaching a certain age.
- Unfair dismissal or exit at the Company's discretion without cause for dismissal, before the senior manager reaches the age initially agreed, if the amount exceeds the figure stipulated in the Labour Statute.
- Death or disability of the senior manager.

- To cover this incentive, each year the Company makes contributions to a group savings insurance policy under which the Company is both policyholder and beneficiary. The contributions are quantified on the basis of a certain percentage of each senior manager's total monetary remuneration. Contributions made in 2022 amounted to EUR 1,921 thousand (EUR 2,187 thousand in 2021), of which EUR 461 thousand relates to the executive director (EUR 441 thousand in 2021).

6.7. SHARE-BASED REMUNERATION SCHEMES

Performance-based share plan

At year-end 2022, Ferrovial has a long-term incentive plan approved by the Board of Directors on 19 December 2019. The plan is force for three years (2020, 2021 and 2022) and consists of awarding Ferrovial, S.A. shares. The annual cost of the plan may not exceed EUR 22 million and it is conditional upon employees remaining at the Company for three years as from the date it is granted (barring special circumstances) and upon the achievement during the vesting period of ratios calculated on the basis of business cash flow and total shareholder return with respect to a comparable group.

The plan is intended for executive directors, senior managers and managers. The application of this form of remuneration to executive directors was authorize by the Company's Annual General Meeting on 17 April 2020.

There were 1,782,127 shares outstanding at 31 December 2022 relating to these plans.

Changes to the share-based remuneration schemes in 2022 and 2021 are summarized below:

	2022	2021
Number of shares at beginning of year	**2,054,531**	**2,468,724**
Plans granted	702,675	909,578
Plans settled	-356,958	-292,413
Shares surrendered and other	-526,552	-954,346
Shares exercised	-91,569	-77,012
Number of shares at year-end	**1,782,127**	**2,054,531**

This share award plan includes the plans described above in Note 19 on remuneration of executive directors and senior managers.

The impact of these remuneration schemes on the Group's income statement in 2022 was an expense of EUR 8 million (income of EUR 9 million in 2021) with a balancing entry in equity. The change in relation to the previous year is due to the fact that a smaller amount was reversed from the provision during the year to bring the cost into line with plan fulfilment (higher degree of fulfilment).

On 15 December 2022, the Board of Directors approved a new long-term incentive plan. The plan will be in force for three years (from 2023 to 2025) and consists of awarding Ferrovial, S.A. shares. Its annual cost may not exceed EUR 22.7 million and it is conditional upon employees remaining at the Company for three years as from the date it is granted (barring special circumstances) and upon the achievement during the vesting period of ratios calculated on the basis of: (i) business cash flow; (ii) total shareholder return with respect to a comparable group; and (iii) objectives related to greenhouse gas emissions, diversity and health and safety at work.

The plan is intended for Executive Directors, senior managers and managers. The application of this form of remuneration to Ferrovial's executive directors will be submitted for approval by the next Annual General Meeting.

Measurement of performance-based share plans.

This plan was accounted for as a future and therefore the value of the foreseeable dividends up to the delivery date is discounted to the value of the shares at the grant date using a rate of return equal to the average cost of borrowings over the share award period. It is equity settled and thus measured when granted. The initially calculated value is not re-estimated. The related amounts are recognized under "Staff costs" with a balancing entry in reserves.

6.8. RELATED-PARTY TRANSACTIONS

Legislation

In relation to the disclosures on transactions that the Company (or Group companies) completes with related parties, International Accounting Standard 24 ("IAS 24") must be taken into consideration.

Paragraph 3 of the above-mentioned IAS 24 requires the disclosure of information on related-party transactions, outstanding transactions and balances (including commitments) in a parent company's consolidated and separate financial statements and in the individual financial statements. Paragraph 9 defines all transfers of resources, services or obligations between the reporting entity and a related party as related-party transactions, regardless of whether or not any consideration is paid.

Related-party transactions

The commercial transactions between the Company (or its Group Companies) and related parties carried out in 2022 are disclosed below, in three separate categories: a) transactions between Ferrovial, S.A and its directors or senior managers; b) transactions between subsidiaries of Ferrovial, S.A and the Company's directors or senior managers, and c) transactions between Group Companies.

Where the profit or loss from a transaction cannot be disclosed, as it pertains to the provider entity or individual, the transaction would be marked with an asterisk (*).

a) Transactions between Ferrovial, S.A and their directors or senior managers

This includes the transactions carried out between Ferrovial, S.A. and its directors and senior executives, their close family members or entities in which one or the other holds control or joint control, or those in which the directors of the Company are executives or directors at the same time or over which they could exercise significant influence[1]. If the party related to the Company was a related party for a part of the year, the transactions performed in that period are indicated.

There have been no transactions of this type during fiscal 2021 and 2022.

b) Transactions between subsidiaries of Ferrovial, S.A. and their directors or senior managers

This includes the transactions carried out between Ferrovial, S.A. and its directors and senior executives, their close family members or entities in which one or the other holds control or joint control, or those in which the directors of the Company are executives or directors at the same time or over which they could exercise significant influence[1]. If the party related to the Company was a related party for a part of the year, the transactions performed in that period are indicated.

[1] In relation to these latter entities, the ordinary transactions, which were completed on standard customer terms and are immaterial, are not included in accordance with Article 229.1 a) of the Spanish Companies Act.

(Thousand euro)		2022			2021		
NAME/COMPANY NAME	TRANSACTIONS	AMOUNT	PROFIT OR LOSS	BALANCE	AMOUNT	PROFIT OR LOSS	BALANCE
Rafael del Pino y Calvo-Sotelo	Services rendered	2	0	0	7	0	1
María del Pino y Calvo-Sotelo	Services rendered	5	1	0	6	1	0
Criu, S.L.	Services rendered	1	0	0	17	1	2
Polan, S.A.	Services received	-12	0	0	0	0	0
Polan, S.A.	Services provided	17	1	0	159	1	159

c) Transactions between Group companies

The transactions referred to below were completed between the Company's subsidiaries in the ordinary course of business, in terms of purpose and conditions, and were not eliminated on consolidation for the following reason.

As explained in detail in Note 1.3.2., balances and transactions relating to construction work performed by the Construction Division for the Group's infrastructure concession operators are not eliminated on consolidation since, at the consolidated level, contracts of this type are classed as construction contracts in which the work, while being executed, is deemed to be performed for third parties, as the ultimate owner of the works is the awarding entity from both a financial and a legal viewpoint.

In 2022 Ferrovial's Construction Division billed those concession operators for EUR 865,487 thousand (EUR 955,920 thousand in 2021) for work performed and related advance payments and, in this respect, recognized sales for that construction work totaling EUR 1,030,639 thousand (EUR 1,016,628 thousand in 2021).

In 2022 the profit from these transactions attributable to the Company's holdings in the concession operators in question and not eliminated on consolidation, net of taxes and non-controlling interests, was EUR -60,507 thousand. In 2021, this amounted to EUR 5,748 thousand.

6.9. CONFLICTS OF INTEREST

In accordance with legislation in force (Article 229 of the Spanish Companies Act), there were no direct or indirect conflicts of interest with the Company, notwithstanding the Company's transactions (or those of the Group companies) with the directors and their related persons disclosed in the notes to the accounts or, where applicable, resolutions relating to remuneration or appointments.

6.10. AUDIT FEES

Pursuant to Royal Decree 1514 of 16 November 2007, approving the Spanish National Chart of Accounts, the following is a disclosure of the total fees relating to the "audit services" provided by the auditors of the 2022 and 2021 Annual Accounts of the Group Companies, including both the lead auditor of Ferrovial S.A. and the other auditors of all its subsidiaries. Other non-audit services provided by the Group's principal auditor during 2022 and 2021 are also disclosed.

"Fees for audit services" relates to strictly statutory audit services.

"Other services that must be provided by the auditor under applicable legislation" only include, as the name indicates, those that are mandatory, such as the limited review of the Company's interim accounts or the issuance of comfort letters for debt issues.

Both the figures for 2022 and, for comparative purposes, those for 2021 exclude the fees of those companies that, as a result of the divestment processes, have already left Ferrovial's perimeter.

Total "non-audit services" provided by the principal auditor represent 11.8% of the total fees for audit services in 2022:

Million euros	2022	2021
Fees for audit services	**4,94**	**4,50**
Group Auditor	4,79	4,29
Other Auditors	0,15	0,20
Fees for audit related services	**0,42**	**0,40**
Group Auditor	0,42	0,40
Other Auditors	-	-
Other non-audit services	**0,57**	**0,12**
Group Auditor	0,57	0,12

6.11. EVENTS AFTER THE REPORTING PERIOD

On February 28th, the Board of Directors approved the merger of Ferrovial, S.A. into its wholly-owned subsidiary Ferrovial International SE. This means that the parent company of the Ferrovial group will become a European public limited company ("Societas Europaea") domiciled in the Netherlands. After the merger, the parent company will continue to be traded in Spain and will also be traded in the Netherlands. It will subsequently apply for .listing in the United States.

This reorganization, which only affects the group's parent company, is driven by the growing internationalization of Ferrovial, which has the largest volume of its activity abroad. In 2022, 82% of the group's revenues and nearly 96% of its value came from its international business, while more than 90% of its institutional investors were international entities.

The corporate reorganization has been designed to keep employment, activity, and investments in Spain intact, with no relevant tax impact for the group. Shareholders will have a right of withdrawal on the terms set out by applicable law. The decision will be submitted to the General Shareholders' Meeting for approval.

Apart from the aforementioned, there are no other significant subsequent events to report at the date these financial statements are authorized for issue.

6.12. APPENDICES

Appendix I. Information on the tax scheme provided by Articles 107 and 108 of Law 27/2014

In 2014, Ferrovial S.A. availed itself of the scheme currently provided by Articles 107 and 108 of Spanish Corporate Income Tax Act 27 of 27 November 2014 (CIT Act), applicable as from 1 January 2014 and therefore throughout 2022. Under this tax scheme:

1. Dividends and capital gains obtained by Ferrovial arising from equity investments in non-resident operating companies (representing at least 5% of the share capital of these companies) are exempt from 95% of corporate income tax if the conditions laid down in Article 21 of the CIT Act ("subject but exempt income") are fulfilled.
2. Dividends paid by Ferrovial out of the above-mentioned "subject but exempt reserves" or out of income from permanent establishments abroad that qualify for the exemption provided by Article 22 of the CIT Act are treated as follows:

i. Where the recipient is a non-resident shareholder in Spain (and does not operate through tax havens or a permanent establishment in Spain), the dividends are not subject to withholdings or tax in Spain.

ii. Where the recipient is a natural person resident in Spain and subject to personal income tax, the dividends received will be treated as savings income.

iii. Where the recipient is a legal person resident in Spain and subject to personal income tax, the dividends received will be treated as savings income.

In 2022, all dividends were paid by Ferrovial out of "subject but exempt income".

3. Capital gains obtained by Ferrovial's shareholders by transferring their shares are treated as follows:

i. Where the shareholder is a non-resident in Spain (and does not operate through tax havens or a permanent establishment in Spain), the portion of the capital gain that relates to reserves charged by Ferrovial to the above-mentioned "subject but exempt income", or to value differences attributable to Ferrovial's equity interests in non-resident entities that meet the requirements to apply the foreign-source income exemption provided by Articles 21 and 22 of the Spanish Corporate Income Tax Act (CIT Act), will not be subject to tax in Spain.

ii. Where the shareholder is an entity subject to Spanish corporate income tax and has a qualifying equity interest in Ferrovial (5% of share capital and held for one year), the exemption provided by Article 21 of the CIT Act may be applied.

iii. Where the shareholder is a natural person resident in Spain and subject to personal income tax, it will be taxed for capital gains obtained under the general scheme.

The amount of subject but exempt income pursuant to Articles 21 and 22 of the CIT Act obtained by Ferrovial in 2022 and the corresponding taxes paid abroad are as follows:

A) Exemption for foreign-source dividends and income

A.1 Exemption for foreign-source dividends:

In 2022, foreign-source dividends were obtained in the amount of EUR 1,295,636,728.88, of which a total of EUR 1,230,854,892.44 is exempt.

A.2 Exemption for income from permanent establishments abroad:

No income was obtained from permanent establishments abroad during the year.

B) Exemption for foreign-source capital gains

In 2022, as was the case in 2021, no tax-exempt foreign-source capital gains were obtained.

The sale of the Greek toll roads in 2018 resulted in a capital gain qualifying for the exemption provided by Article 21 of the CIT Act in the amount of EUR 84,825,069.03, the tax-exempt amount being EUR 11,307,039.92.

In financial years prior to 2018, no capital gains were obtained to which the exemption provided by Article 21 of the CIT Act could be applied, either because (i) the sales were made between Group companies and eliminated for tax consolidation purposes or (ii) they formed part of corporate restructurings completed under the tax neutrality scheme provided by Article 76 et seq of the Spanish CIT Act. Nonetheless, capital gains that would have had tax effects, had these schemes not been applicable (tax consolidation or tax neutrality), are as follows:

B.1 Elimination of capital gains on intragroup sales of foreign companies:

None took place during the year.

B.2 Capital gains deferred in corporate restructuring processes:

(Amounts in euro)

Ferrovial, S.A.	2,185,376,680
Cintra Infraestructuras Ireland, S.L.U.	6,143,952
TOTAL	**2,191,520,632**

To facilitate the application of the above-mentioned tax scheme by Ferrovial's shareholders, the Company performed a market assessment of its year-end equity interests (held directly and indirectly through shareholdings in other entities applying this special tax scheme) in non-resident entities and permanent establishments abroad that qualify for the foreign-source income exemption provided by Articles 21 and 22 of the CIT Act.

This assessment found that such assets account for 97% of Ferrovial's total market value at 31 December 2022. At 31 December 2021, this percentage amounted to 92%.

Tax treatment of Ferrovial's scrip dividend

In 2022, Ferrovial S.A. implemented two shareholder remuneration schemes named "Ferrovial Scrip Dividend", allowing shareholders to choose to (i) receive new bonus shares; (ii) transfer in the market the free allotment rights received for the shares held; or (iii) collect a cash amount by transferring the free allotment rights to Ferrovial.

Set out below are the main tax implications of these schemes, based on tax legislation in force in Spain and on the interpretation made by the Spanish Directorate General for Taxation in response to several binding ruling requests.

General considerations

In general, although the tax scheme applicable to shareholders residing in the historical territories, Ceuta or Melilla is similar to the national tax system, there may be some differences in the treatment afforded.

It should be noted that the tax treatment of the various options explained in relation to the capital increase set out above does not cover all possible tax consequences regarding the options in connection with the "Ferrovial Scrip Dividend" remuneration scheme. Therefore, shareholders should consult their tax advisors on the specific tax effect of the proposed scheme and pay attention to any changes that may arise under legislation in force at the date of this transaction, related interpretations and the personal circumstances of each shareholder or holder of free allotment rights.

In particular, shareholders not resident in Spain must consult their tax advisors regarding the effects of the different capital increase alternatives, including the analysis of exemptions provided by non-resident income tax legislation, the right to apply the provisions of double taxation treaties entered into by Spain and the way the income must be declared.

Specific considerations

a) Delivery of new shares.

If the shareholders opt for the delivery of new shares, they will come under the tax scheme indicated below:

1. Shareholders subject to personal income tax and non-resident income tax without a permanent establishment in Spain.

For tax purposes, the delivery of new shares will be considered a delivery of bonus shares and therefore will not constitute income for the purposes of personal income tax (PIT), or non-resident income tax (NRIT), on the assumption that the latter (non-resident taxpayer) does not act in Spain through a permanent establishment. As indicated, the delivery of new shares is not subject to withholdings or prepayments.

The acquisition cost per share for tax purposes of both the bonus shares and the shares from which they arise will be the result of dividing the portfolio's total acquisition cost by the number of shares, including both the original shares and the corresponding bonus shares. The age of the bonus shares will be that of the original shares.

Consequently, in the event of a subsequent transfer, the income obtained will be calculated by reference to this new value.

2. Shareholders subject to corporate income tax and non-resident income tax with a permanent establishment in Spain.

For corporate income tax ("CIT") purposes, and for non-resident income tax ("NRIT) purposes in the case of non-resident taxpayers with a permanent establishment in Spain (where a full business cycle is completed), the delivery of new shares under this alternative will be afforded the treatment stipulated in accounting legislation, taking into account the applicable specific provisions brought in by the Resolution of the Spanish Institute of Accounting and Auditing (ICAC) of 5 March 2019 ("ICAC Resolution") for financial years beginning on or after 1 January 2020, which develops the approach to the presentation of financial instruments and other aspects governed by accounting legislation, and pursuant to the responses to ruling requests issued by the Directorate General for Taxation on the tax impacts of the ICAC Resolution, reference numbers V1358-2020, V1357-2020, V1809/2020, V2468-2020 and V2469-2020 ("Ruling Request Responses"). All the above is notwithstanding any rules for calculating the tax base which may be applicable, particularly the possibility of applying the exemption in the terms and limits stipulated in the current wording of Article 21 of the CIT Law.

According to the ruling request responses, the delivery of fully-paid shares is not classed as income subject to withholdings or payments on account of CIT or NRIT for taxpayers with a permanent establishment in Spain.

b) Sale of free allotment rights in the market.

If the shareholders sell their free allotment rights in the market, the amount obtained will come under the tax scheme indicated below:

1. Shareholders who pay personal income tax (individuals with tax residence in Spain).

The amount obtained on the sale of the free allotment rights in the market will be subject to the same scheme provided by tax legislation for pre-emptive subscription rights. As a result, the transferring shareholder will have been deemed to have made a capital gain in the tax period in which the sale occurs. The amount obtained will be subject to personal income tax withholdings at the rate applicable at that time (currently 19%).

This withholding tax will be applied by the relevant custodian (and, failing this, by the financial intermediary or public notary involved in the transfer), Ferrovial not being required to make the withholdings or to supply related tax information to its shareholders. Shareholders are therefore advised to contact the relevant custodians in this regard.

2. Shareholders who pay non-resident income tax without a permanent establishment in Spain.

In the case of non-resident shareholders, the amount obtained on the sale in the market of the bonus issue rights is also subject to the same rules established in tax legislation for pre-emptive subscription rights, therefore the transferring shareholder will be considered to have made a capital gain in the tax period in which the sale occurs, subject to non-resident income tax at the general rate of 19%. At present, this payment is not subject to non-resident income tax withholdings and the shareholders must self-assess this income in their tax returns.

However, this income will be exempt from non-resident income tax in certain cases, such as non-resident shareholders that transfer their rights in official secondary securities markets in Spain, are residents of a country that has a double taxation treaty (DTT) with Spain containing an information exchange clause and do not operate or reside in a tax haven for Spanish purposes, notwithstanding the exemptions provided by NRIT legislation.

3. Shareholders who pay Spanish corporate income tax or non-resident income tax with a permanent establishment in Spain.

Provided that a full business cycle is completed, tax will be paid in accordance with applicable accounting legislation, including the provisions of the ICAC Resolution, ruling request responses and, if appropriate, adjustments applicable under CIT legislation and any applicable special CIT schemes.

c) Sale to Ferrovial of the free allotment rights.

Lastly, if the holders of bonus issue rights decide to avail themselves of the Ferrovial Purchase Commitment, the tax scheme applicable to the amount obtained on the sale to Ferrovial of the bonus issue rights received in their capacity as shareholders will be equivalent to the scheme applied to the distribution of a cash dividend and will therefore be subject to the corresponding withholding tax and taxation.

Where shareholders provide evidence of non-resident income taxpayer status, no permanent establishment in Spain and non-residence in Spain or in a territory classed as a tax haven, the dividends paid by Ferrovial and therefore the amounts received from the sale of free allotment rights to Ferrovial will not be subject to tax or tax withholdings in Spain, since for tax purposes they are paid out of the exempt income from non-resident entities envisaged in Articles 21 and 22 of CIT Law 27/2014 of 27 November.

Appendix II. Subsidiaries (fully-consolidated companies) (millions of euros)

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
CONTINUED ACTIVITIES					
CORPORATION					
SPAIN (Registered Office: Madrid, Spain)					
Ferrovial Inversiones, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	67	
Can-Am, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	0	
Ferrovial Emisiones, S.A. (a)		Ferrovial, S.A. (a)	99,0 %	0	1
Ferrovial Corporación, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	5	1
Ferrofin, S.L. (a)		Ferrovial Construcción, S.A. (a)	52,0 %	265	
Ferrofin, S.L. (a)		Ferrovial, S.A. (a)	48,0 %	230	
Temauri, S.L. (a)		Ferrovial, S.A. (a)	100,0 %	7	
Ferrovial 001, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	0	
Ferrovial 004, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	17	
Ferrovial 008, S.L. (a)		Ferrovial, S.A. (a)	100,0 %	0	
Ferrovial 009, S.L. (a)		Ferrovial, S.A. (a)	100,0 %	0	
Ferrovial Venture VI, S.A.U. (a)		Ferrovial, S.A. (a)	100,0 %	0	
Ferrovial Ventures, S.A.U. (a)		Ferrovial, S.A. (a)	100,0 %	15	
Acadia Servicios de Medioambiente, S.L. (a)		Ferrovial Internacional, S.E.	100,0 %	0	
Autovía de Aragón, Sociedad Concesionaria, S.A.	P	Ferrovial, S.A. (a)	15,0 %	3	2
Pilum, S.A.	P	Ferrovial, S.A. (a)	94,1 %	1	2
Ferrovial Aravia, S.A.	P	Ferrovial, S.A. (a)	15,0 %	0	2
Sitkol, S.A.U. (a)		Ferrovial 001, S.A. (a)	100,0 %	0	
UNITED KINGDOM (Registered Office: Oxford, United Kingdom)					
Ferrocorp UK Ltd.		Ferrovial, S.A. (a)	100,0 %	1	1
UNITED KINGDOM (Registered Office: London, United Kingdom)					
Ferrovial Ventures, Ltd.		Ferrovial Internacional, S.E.	100,0 %	7	1
Ferrovial Services UK, Ltd.		Ferrovial Services International, S.E.	100,0 %	9	
IRELAND (Registered Office: Dublin, Ireland)					
Landmille, Ltd		Ferrovial, S.A. (a)	100,0 %	107	3
LUXEMBURGO (Registered Office: Luxemburgo)					
Krypton RE, S.A.		Ferrovial, S.A. (a)	100,0 %	8	1
NETHERLANDS (Registered Office: Amsterdam, Netherlands)					
Ferrovial International, S.E.		Ferrovial, S.A. (a)	100,0 %	8591	1
Ferrovial Netherlands B.V.		Ferrovial Internacional, S.E.	100,0 %	2	1
Ferrovial Services Netherlands B.V.		Ferrovial, S.A. (a)	100,0 %	14	2
Ferrovial Ventures NL B.V.		Ferrovial Internacional, S.E.	100,0 %	9	
UNITED STATES (Registered Office: Austin, United States)					
Ferrovial Holding US Corp		Cintra Infrastructures, S.E.	100,0 %	3327	
Landmille US LLC		Ferrovial Holding US Corp	100,0 %	0	3
UNITED STATES (Registered Office: Wilmington, United States)					
Ferrovial IT US, LLC		Ferrovial Holding US Corp	100,0 %	0	
CONSTRUCTION					
GERMANY (Registered Office: Cologne)					
Budimex Bau GmbH		Budimex SA	100,0 %	0	
ARABIA (Registered Office: Riyadh)					
Ferrovial Agroman Company		Ferrovial Construcción, S.A. (a)	97,5 %	3	7
AUSTRALIA (Registered Office: Sidney)					
Ferrovial Construction (Australia) PTY LTD		Ferrovial Construction Holdings Ltd	100,0 %	11	1
BRASIL (Registered Office: Bela Vista, São Paulo)					
Constructora Ferrovial Ltd. (Brasil)		Ferrovial Construction International S.E.	100,0 %	0	
CANADA (Registered Office: Alberta, Canada)					
Ferrovial Services Alberta Limited		Ferrovial Services Canada (Holdings) Limited	100,0 %	0	
CANADA (Registered Office: Markham - Ontario)					
Ferrovial Construction Canada Inc.		Ferrovial Construction International S.E.	100,0 %	0	1
Ferrovial Services Ontario Limited		Ferrovial Services Canada (Holdings) Limited	100,0 %	0	
Ontario Transit FCCI (Hold Co) Inc.		F&A Canada	100,0 %	0	1
CANADA (Registered Office: Toronto, Canada)					
Ferrovial Services Canada (Holdings) Limited		Ferrovial Construction International S.E.	100,0 %	6	5
CHILE (Registered Office: Santiago de Chile)					
Constructora Ferrovial Ltda.		Ferrovial Empresa Constructora Ltda.	97,2 %	0	1
Ferrovial Construcción Chile S.A.		Ferrovial Empresa Constructora Ltda.	100,0 %	33	1
Ferrovial Empresa Constructora Ltda.		Ferrovial Construction International S.E.	100,0 %	24	1
Siemsa Chile S.p.A.		Siemsa Industria S.A. (a)	100,0 %	0	

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
COLOMBIA (Registered Office: Santiago de Chile)					
Ferrovial Construcción Colombia, S.A.S		Ferrovial Construction International S.E.	100,0 %	0	
SLOVAKIA (Registered Office: Bratislava)					
D4R7 Construction S.R.O.		Ferrovial Construction Slovakia S.R.O.	65,0 %	3	3
Ferrovial Construction Slovakia S.R.O.		Ferrovial Construction Holdings Ltd	99,0 %	10	3
SPAIN (Registered Office: Barcelona)					
Conc. Prisiones Lledoners,S.A. (a)	P	Ferrovial Construcción, S.A. (a)	100,0 %	16	1
SPAIN (Registered Office: Bilbao)					
Cadagua, S.A. (a)		Ferrovial Construcción, S.A. (a)	100,0 %	87	1
SPAIN (Registered Office: Madrid)					
Cocsa, S.A. (a)		Ferrovial Construcción, S.A. (a)	100,0 %	8	1
Ditecpesa, S.A. (a)		Ferrovial Construcción, S.A. (a)	100,0 %	1	1
Tecpresa Structural Solutions, S.A. (a)		Ferrovial Construcción, S.A. (a)	99,1 %	2	
Ferroconservación, S.A. (a)		Ferrovial Construcción, S.A. (a)	99,0 %	1	1
Ferrovial Construcción, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	711	1
Ferrovial Medio Ambiente y Energía, S.A. (a)		Ferrovial Construcción, S.A. (a)	100,0 %	1	
Ferrovial Railway S.A. (a)		Ferrovial Construcción, S.A. (a)	98,8 %	0	
Siemsa Control y Sistemas S.A.U. (a)		Siemsa Industria S.A. (a)	99,0 %	1	2
Siemsa Industria S.A. (a)		Ferrovial Construcción, S.A. (a)	99,0 %	16	2
Arena Recursos Naturales, S.A.U. (a)		Ferrovial Construcción, S.A. (a)	100,0 %	0	
Urbaoeste, S.A. (a)		Ferrovial Construcción, S.A. (a)	99,0 %	0	
Ferrovial 010, S.A.U. (a)		Ferrovial Construcción, S.A. (a)	99,0 %	0	
Autovía de Aragón, Sociedad Concesionaria, S.A.		Ferrovial Construcción, S.A. (a)	55,0 %	22	
Pilum, S. A.	P	Ferrovial Construcción, S.A. (a)	3,8 %	0	2
Ferrovial Aravia, S.A.	P	Ferrovial Construcción, S.A. (a)	55,0 %	0	2
SPAIN (Registered Office: Zaragoza)					
Depusa Aragón S.A. (a)	P	Ferrovial Construcción, S.A. (a)	42,3 %	2	1
Depusa Aragón S.A. (a)	P	Cadagua, S.A. (a)	51,7 %	2	1
UNITED STATES (Registered Office: Atlanta)					
Ferrovial Construction East, LLC		Ferrovial Construction US Corp.	100,0 %	440	
UNITED STATES (Registered Office: Austin)					
Cadagua US LLC		Ferrovial Construction US Holding Corp.	100,0 %	14	
Cintra ITR LLC		Ferrovial Construction US Corp.	44,0 %	20	1
Ferrovial Agroman 56, LLC		Ferrovial Construction Texas, LLC	100,0 %	35	
Ferrovial Agroman Indiana, LLC		Ferrovial Construction US Corp.	100,0 %	0	
Ferrovial Construction Texas, LLC		Ferrovial Construction US Corp.	100,0 %	158	
Ferrovial Construction US Corp.		Ferrovial Construction US Holding Corp.	100,0 %	453	1
Ferrovial Construction US Holding Corp.		Ferrovial Holding US Corp.	100,0 %	1002	1
Grand Parkway Infrastructure LLC		DBW Construction LLC	30,0 %	0	1
Grand Parkway Infrastructure LLC		Ferrovial Construction Texas, LLC	40,0 %	0	1
Ferrovial Energy Solutions, LLC		Ferrovial Construction US Holding Corp.	100,0 %	0	
Servicios (Delaware) Inc.		Ferrovial Services International, S.E.	100,0 %	35	
Ferrovial Services U.S., Inc.		Servicios (Delaware) Inc.	100,0 %	255	
Ferrovial Services Infrastructure, Inc.		Ferrovial Services U.S., Inc.	100,0 %	39	1
Ferrovial Services Holding US Corp		Ferrovial Holding US Corp	100,0 %	31	
Ferrovial Construccion JFK T1 LLC		Ferrovial Construction US Corp.	100,0 %	0	
UNITED STATES (Registered Office: Charlotte)					
Sugar Creek Construction LLC		Ferrovial Construction East, LLC	70,0 %	64	
UNITED STATES (Registered Office: Dallas)					
Trinity Infrastructure LLC		DBW Construction LLC	40,0 %	0	
Trinity Infrastructure LLC		Ferrovial Construction Texas, LLC	60,0 %	0	
UNITED STATES (Registered Office: Fort Worth)					
North Tarrant Infrastructures		DBW Construction LLC	25,0 %	0	1
North Tarrant Infrastructures		Ferrovial Construction Texas, LLC	75,0 %	0	1
UNITED STATES (Registered Office: Georgia)					
North Perimeter Constractors LLC		Ferrovial Construction East, LLC	100,0 %	369	1
UNITED STATES (Registered Office: Katy)					
52 Block Builders		Webber Commercial Construction, LLC	100,0 %	0	1
UNITED STATES (Registered Office: Los Angeles)					

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
California Rail Builders		Ferrovial Construction West, LLC	80,0 %	0	1
Ferrovial Construction West, LLC		Ferrovial Construction US Corp.	100,0 %	0	
Great Hall Builders LLC		Ferrovial Construction West, LLC	70,0 %	0	
UNITED STATES (Registered Office: North Richland Hills)					
Bluebonnet Constractor, LLC		DBW Construction LLC	40,0 %	0	
Bluebonnet Constractor, LLC		Ferrovial Construction Texas, LLC	60,0 %	0	
UNITED STATES (Registered Office: Suffolk)					
US 460 Mobility Partners LLC		Ferrovial Construction East, LLC	70,0 %	0	
UNITED STATES (Registered Office: The Woodlands)					
DBW Construction LLC.		Webber, LLC	100,0 %	40	1
PLW Waterworks LLC		Cadagua US, LLC	50,0 %	2	1
PLW Waterworks LLC		Webber, LLC	50,0 %	2	1
Southern Crushed Concrete LLC		Webber Equipment & Materials LLC - Sucursal en Spain	100,0 %	88	1
W.W. Webber, LLC		Ferrovial Construction US Holding Corp.	100,0 %	584	1
Webber Barrier Services		Webber, LLC	100,0 %	5	1
Webber Commercial Construction LLC		Webber, LLC	99,0 %	6	
Webber Equipment & Materials LLC		Webber, LLC	100,0 %	227	1
Webber Holdings, LLC		Ferrovial Construction US Holding Corp.	100,0 %	0	
Webber Management Group LLC		Webber Equipment & Materials LLC - Sucursal en Spain	100,0 %	41	1
UNITED STATES (Registered Office: Virginia)					
FAM Construction LLC (I-66)		Ferrovial Construction US Corp.	70,0 %	143	1
FRANCE (Registered Office: Paris)					
Ferrovial Construction France, S.A.		Ferrovial Construction International S.E.	100,0 %	0	
NETHERLANDS (Registered Office: Amsterdam)					
Ferrovial Construction International S.E.		Ferrovial Internacional, S.E.	100,0 %	237	1
INDIA (Registered Office: New Delhi)					
Cadagua Ferrovial India Pr Ltd		Cadagua, S.A. (a)	95,0 %	0	
IRELAND (Registered Office: Dublin)					
Ferrovial Construction Ireland Ltd		Ferrovial Construction Holdings Ltd	100,0 %	7	2

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
MÉXICO (Registered Office: Mexico DF)					
Cadagua Ferr. Industrial México		Cadagua, S.A. (a)	75,1 %	0	
Cadagua Ferr. Industrial México		Ferrovial Medio Ambiente y Energía, S.A. (a)	25,0 %	0	
Ferrovial Agroman México, S.A. de C.V.		Ferrovial Construction International S.E.	100,0 %	0	
NEW ZEALAND (Registered Office: Wellington)					
Ferrovial Construction (New Zeeland) Limited		Ferrovial Construcción Australia PTY LTD	100,0 %	1	
PERÚ (Registered Office: Lima)					
Ferrovial Construcción Perú, S.A.C.		Ferrovial Construction International S.E.	100,0 %	0	
POLAND (Registered Office: Cracow)					
Mostostal Kraków S.A.		Budimex SA	100,0 %	2	1
Mostostal Kr		Mostostal Kraków SA	100,0 %	0	
POLAND (Registered Office: Kamieńsk)					
FBSerwis Kamieńsk Sp. z o.o.		FBSerwis SA	80,0 %	7	1
POLAND (Registered Office: Kąty Wrocławskie)					
FBSerwis Wrocław Sp. z o.o.		FBSerwis SA	100,0 %	0	1
POLAND (Registered Office: Ścinawka Dolna)					
FBSerwis Dolny Sląsk Sp. z o.o.		FBSerwis SA	100,0 %	0	1
POLAND (Registered Office: Tarnów)					
FBSerwis Karpatia Sp. z o.o.		FBSerwis SA	100,0 %	0	1
POLAND (Registered Office: Varsovia)					
Autostrada, S.A.		Ferrovial Construcción, S.A. (a)	1,3 %	0	2
POLAND (Registered Office: Warsaw)					
Budimex, S.A.		Ferrovial Construction International S.E.	50,1 %	83	1
Bx Budownictwo Sp. z o.o.		Budimex SA	100,0 %	0	1
Bx Kolejnictwo SA		Budimex SA	100,0 %	18	1
Bx Parking Wrocław Sp. z o.o.		Budimex SA	51,0 %	1	1
FBSerwis SA		Budimex SA	100,0 %	19	1
FBSerwis A Sp. z o.o.		FBSerwis SA	100,0 %	0	
FBSerwis B Sp. z o.o.		FBSerwis SA	100,0 %	0	
FBSerwis Odbiór Sp. z o.o.		FBSerwis SA	100,0 %	0	
FBSerwis Paliwa Alternatywne Sp. z o.o.		FBSerwis SA	100,0 %	0	
JZE Sp. z o.o.		FBSerwis SA	100,0 %	1	
UNITED KINGDOM (Registered Office: London)					
Ferrovial Construction (UK) Limited		Ferrovial Construction Holdings Ltd	100,0 %	-3	1
Ferrovial Construction Holdings Limited		Ferrovial Construction International S.E.	100,0 %	72	1

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
FC Civil Solutions Limited		Ferrovial Construction Holdings Ltd	100,0 %	0	
TOLL ROADS					
SPAIN (Registered Office: Madrid, Spain)					
Cintra Infraestructuras Spain, S.L. (a)		Ferrovial, S.A. (a)	100,0 %	627	1
Cintra Infraestructuras Ireland, S.L.U. (a)		Cintra Global SE	100,0 %	3	1
Cintra Inversora Autopistas de Cataluña, S.L. (a)	P	Cintra Infraestructuras Spain, S.L. (a)	100,0 %	0	1
Inversora Autopistas de Cataluña, S.L. (a)	P	Cintra Inversora Autopistas de Cataluña, S.L. (a)(a)	100,0 %	0	1
Cintra Inversiones, S.L.U. (a)		Cintra Infraestructuras Spain, S.L. (a)	100,0 %	318	
Cintra Servicios de Infraestructuras, S.A. (a)		Cintra Infraestructuras Spain, S.L. (a)	100,0 %	4	1
Autopista Alcalá-O'Donnell, S.A. (a)		Cintra Infraestructuras Spain, S.L. (a)	100,0 %	15	
Autovía de Aragón, Sociedad Concesionaria, S.A.	P	Cintra Infraestructuras Spain, S.L. (a)	30,0 %	3	2
Pilum, S.A.	P	Cintra Infraestructuras Spain, S.L. (a)	2,1 %	0	2
Ferrovial Aravia, S.A.	P	Cintra Infraestructuras Spain, S.L. (a)	30,0 %	1	2
SPAIN (Registered Office: Barcelona, Spain)					
Autopista Terrasa-Manresa, S.A. (a)	P	Inversora Autopistas de Cataluña, S.L. (a)	76,3 %	420	1
AUSTRALIA (Registered Office: Melbourne, Australia)					
Cintra OSARS (Western) Holdings Unit Trust		Cintra OSARS Western Ltd	100,0 %	29	
Cintra OSARS Western Unit Trust		Cintra OSARS (Western) Holdings Unit Trust	100,0 %	0	
AUSTRALIA (Registered Office: Sydney, Australia)					
Cintra Developments Australia PTY, Ltd		Cintra Infrastructures UK Ltd	100,0 %	0	1
Cintra OSARS (Western) Holdings PTY Ltd		Cintra OSARS Western Ltd	100,0 %	0	1
Cintra OSARS Western PTY Ltd		Cintra OSARS (Western) Holdings PTY Ltd	100,0 %	0	1
CANADA (Registered Office: Toronto, Canada)					
Cintra 407 East Development Group Inc		407 Toronto Highway B.V.	100,0 %	2	
Cintra OM&R 407 East Development Group Inc		407 Toronto Highway B.V.	100,0 %	0	
Cintra 4352238 Inc		407 Toronto Highway B.V.	100,0 %	0	
Blackbird Maintenance 407 Cintra GP Inc		407 Toronto Highway B.V.	100,0 %	1	
Blackbird Infrastructure 407 Cintra GP Inc		407 Toronto Highway B.V.	100,0 %	0	
COLOMBIA (Registered Office: Bogotá, Colombia)					
Cintra Infraestructuras Colombia, S.A.S. (a)		Cintra Global SE	100,0 %	14	1
C. Concesiones Colombia S.L.U.		Cintra Global SE	100,0 %	0	
CHILE (Registered Office: Santiago de Chile, Chile)					
Cintra Infraestructuras Chile SpA		Cintra Global SE	100,0 %	0	
UNITED STATES (Registered Office: Austin, United States)					
Cintra Holding US Corp		Ferrovial Holding US Corp	96,8 %	1.285	
Cintra Texas Corp		Cintra Holding US Corp	100,0 %	-22	
Cintra US Services LLC		Cintra Texas Corp	100,0 %	1	
Cintra ITR LLC		Cintra Holding US Corp	49,0 %	0	
Cintra LBJ LLC		Cintra Holding US Corp	100,0 %	303	
Cintra NTE LLC		Cintra Holding US Corp	100,0 %	240	
Cintra NTE Mobility Partners Segments 3 LLC		Cintra Holding US Corp	100,0 %	247	
Cintra Toll Services LLC		Cintra Holding US Corp	100,0 %	0	
Cintra I-77 Mobility Partners LLC		Cintra Holding US Corp	100,0 %	142	
Cintra 2 I-77 Mobility Partners LLC (2)		Cintra Holding US Corp	100,0 %	66	
Cintra 2 I-66 Express Mobility Partners		Cintra Holding US Corp	100,0 %	647	
I-66 Express Mobility Partners Holdings LLC	P	Cintra 2 I-66 Express	50,0 %	647	
I-66 Express Mobility Partners LLC	P	I-66 Express Mobility	50,0 %	1373	1
Cintra 3I-66 Express Mobility Partners LLC		Cintra Holding US Corp	100,0 %	196	
Cintra 3 I-77 Mobility Partners LLC		Cintra Holding US Corp	100,0 %	104	
Cintra Digital Business Ventures LLC	P	Cintra Holding US Corp	100,0 %	0	
Cintra North Corridor Transit Partners LLC		Cintra Holding US Corp	100,0 %	0	
UNITED STATES (Registered Office: Charlotte, United					
I-77 Mobility Partners Holding LLC	P	Cintra I-77 Mobility Partners	50,1 %	108	
I-77 Mobility Partners Holding LLC	P	Cintra 2-I77 Mobility	15,0 %	68	
I-77 Mobility Partners Holding LLC	P	Cintra 3-I77 Mobility Partners Holding LLC	7,1 %	104	
I-77 Mobility Partners LLC	P	I-77 Mobility Partners Holding LLC	100,0 %	218	1
UNITED STATES (Registered Office: Dallas, United States)					
LBJ Infrastructure Group Holding LLC	P	Cintra LBJ LLC	54,6 %	302	
LBJ Infrastructure Group LLC	P	LBJ Infrastructure Group Holding LLC	100,0 %	521	1
UNITED STATES (Registered Office: North Richland Hills, United States)					
NTE Mobility Partners Holding LLC	P	Cintra NTE LLC	63,0 %	240	
NTE Mobility Partners LLC	P	NTE Mobility Partners Holding LLC	100,0 %	322	
NTE Mobility Partners Segments 3 Holding LLC	P	Cintra NTE Mobility Partners Segments 3 LLC	53,7 %	223	
NTE Mobility Partners Segments 3 LLC	P	NTE Mobility Partners	100,0 %	406	1

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
NETHERLANDS (Registered Office: Amsterdam, Netherlands)					
Cintra Infrastructures SE		Ferrovial International SE	100,0 %	3.033	1
Cintra Global SE		Ferrovial International SE	100,0 %	3.242	
407 Toronto Highway B.V.		Cintra Global SE	100,0 %	2.664	
Cintra INR Investments B.V.		Cintra Global SE	100,0 %	369	5
Cintra Latam Highways B.V.		Cintra Global SE	100,0 %	0	
IRELAND (Registered Office: Dublin, Ireland)					
Financinfrastructures, Ltd		Cintra Global SE	100,0 %	32	1
Cinsac, Ltd		Cintra Infraestructuras	100,0 %	0	1
POLAND (Registered Office: Warsow, Poland)					
Autostrada Poludnie, S.A.		Cintra Infrastructures SE	93,6 %	12	2
PORTUGAL (Registered Office: Lisbon, Portugal)					
Vialivre, S.A.	P	Cintra Infrastructures SE	84,0 %	0	1
PORTUGAL (Registered Office: Ribeira Grande,					
Euroscut Açores, S.A.	P	Cintra Infrastructures SE	89,2 %	27	1
UNITED KINGDOM (Registered Office: London, United					
Cintra Silvertown Ltd		Cintra Infrastructures UK Ltd	100,0 %	1	1
UNITED KINGDOM (Registered Office: Oxford, United					
Cintra Infrastructures UK Ltd		Cintra Global SE	100,0 %	45	1
Cintra Toowoomba Ltd		Cintra Infrastructures UK Ltd	100,0 %	5	1
Cintra UK I-77 Ltd		Ferrovial Holding US Corp	100,0 %	0	1
Cintra Slovakia Ltd		Cintra Global SE	100,0 %	1	1
Cintra I-66 Express UK Ltd		Ferrovial Holding US Corp	100,0 %	0	1
Cintra OSARS Western Ltd		Cintra Infrastructures UK	100,0 %	29	1
AIRPORTS					
SPAIN (Registered Office: Madrid, Spain)					
Ferrovial Aeropuertos Spain, S.A. (a)		Ferrovial, S.A. (a)	100,0 %	43	
UNITED STATES (Registered Office: Austin, United					
Ferrovial Airports Holding US Corp		Ferrovial Holding US Corp	100,0 %	105	
Ferrovial Vertiports US LLC		Ferrovial Airports Holding	100,0 %	8	
Ferrovial Vertiports Florida LLC	P	Ferrovial Vertiports US LLC	100,0 %	1	
UNITED STATES (Registered Office: Denver, United					
Ferrovial Airports O&M Services LLC		Ferrovial Airports Holding US Corp	100,0 %	0	
Ferrovial Airports US Terminal One LLC.		Ferrovial Airports Holding	100,0 %	53	
UNITED STATES (Registered Office: New York, United States)					
MARS NTO LLC.		Ferrovial Airports US Terminal One LLC.	96,1 %	62	
NETHERLANDS (Registered Office: Amsterdam, Netherlands)					
Hubco Netherlands B.V.		Ferrovial International, S.E.	100,0 %	807	
FERROVIAL AIRPORTS FMM BV		Ferrovial Airports International, S.E.	100,0 %	0	
Ferrovial Airports Turkey B.V.		Ferrovial Airports International, S.E.	100,0 %	132	
YDA HAVALIMANI YATIRIM VE (Dalaman)	P	Ferrovial Airports Turkey	60,0 %	145	
UNITED KINGDOM (Registered Office: Oxford, United Kingdom)					
Faero UK Holding Limited		Hubco Netherlands B.V.	100,0 %	255	1
Ferrovial Airports International, S.E.		Ferrovial International, S.E.	100,0 %	1.372	1
Ferrovial Airports Denver UK Ltd.		Ferrovial Airports International, S.E.	100,0 %	0	1
Ferrovial Vertiports UK Ltd.	P	Ferrovial Airports	100,0 %	2	
ENERGY INFRAESTRUCTURES AND MOBILITY					
SPAIN (Registered Office: Madrid, Spain)					
Ferrovial Transco Spain , S.A.U. (a)	P	Ferrovial Transco International B.V.	100,0 %	13	
Ferrovial Infraestructuras Energéticas, S.A.U. (a)		Ferrovial, S.A. (a)	100,0 %	19	
Parque Solar Casilla, S.L.U. (a)	P	Ferrovial Infraestructuras	100,0 %	9	
Ferrovial Mobility, S.L. (a)		Ferrovial, S.A. (a)	100,0 %	35	
Cea Infraestructuras Energéticas (a)	P	Ferrovial Infraestructuras	100,0 %	0	
Jucar Infraestructuras Energéticas (a)	P	Ferrovial Infraestructuras Energéticas, S.A.U. (a)	100,0 %	0	
Pisuerga Infraestructuras Energéticas, S.A.U. (a)	P	Ferrovial Infraestructuras	100,0 %	0	
Ferrovial Growth VI, S.L. (a)		Ferrovial, S.A. (a)	100,0 %	17	

Entity	Type	Parent	% Ownership	Net Cost Ownership	Audit
CHILE (Registered Office: Santiago, Chile)					
Ferrovial Power Infrastructure Chile, SpA	P	Ferrovial Transco International B.V.	100,0 %	60	1
Ferrovial Transco Chile II SpA	P	Ferrovial Power	100,0 %	0	
Transchile Charrúa Transmisión, S.A.	P	Ferrovial Power	99,9 %	46	1
Ferrovial Transco Chile III SPA	P	Ferrovial Transco International, B.V.	100,0 %	0	
Ferrovial Transco Chile IV SpA	P	Ferrovial Power Infraestructure Chile, SpA	100,0 %	0	
Centella Transmisión, S.A.	P	Ferrovial Transco Chile III SPA	49,9 %	0	1
Centella Transmisión, S.A.	P	Ferrovial Power Infrastructure Chile, SpA	50,1 %	0	1
UNITED STATES (Registered Office: Austin, United States)					
Ferrovial Mobility U.S., LLC		Ferrovial Holding US Corp	100,0 %	2	
Ferrovial Energy US, LLC		Ferrovial Holding US Corp	100,0 %	0	
Ferrovial Energy US 1, LLC		Ferrovial Energy US, LLC	100,0 %	0	
NETHERLANDS (Registered Office: Amsterdam,					
Ferrovial Services International, S.E.		Ferrovial International,	100,0 %	59	2
Ferrovial Transco International B.V.		Ferrovial International,	100,0 %	60	1
UNITED KINGDOM (Registered Office: London, United Kingdom)					
Thalia Waste Management Limited		Thalia Waste Treatment	50,0 %	0	1
Thalia MK ODC Limited		Thalia Waste	100,0 %	0	1
Thalia AWRP ODC Limited		Thalia Waste Management Limited	100,0 %	0	1
Thalia WB HoldCo Limited		Thalia Waste Management Limited	100,0 %	0	1
Thalia WB ODC Limited		Thalia WB HoldCo Limited	100,0 %	0	1
Thalia WB Services Limited		Thalia WB ODC Limited	100,0 %	0	1
Thalia WB SPV Limited	P	Thalia WB Services Limited	100,0 %	0	1
Thalia IOW SPV Limited		Thalia Waste	100,0 %	0	1
Thalia MK HoldCo Limited		Thalia Waste	50,0 %	0	1
Thalia MK SPV Limited		Thalia MK HoldCo Limited	100,0 %	0	1
Thalia Ventures Limited		Thalia Holdco Ltd	100,0 %	0	1
Thalia IOW ODC Ltd		Thalia Waste Management Limited	100,0 %	0	1
Thalia Holdco Ltd		Thalia Waste Treatment	100,0 %	0	1
CHILE (Registered Office: Antofagasta, Chile)					
Berliam S.p.A.		Ferrovial Servicios Chile, SpA	65,1 %	27	2
Berliam S.p.A.		Inversiones Chile Ltda	34,9 %	3	2
CHILE (Registered Office: Los Andes, Chile)					
Steel Ingenieria, S.A.		Ferrovial Servicios Chile SPA	99,9 %	31	2
Ferrovial Servicios Chile SPA		Ferrovial Services	100,0 %	12	
CHILE (Registered Office: Santiago, Chile)					
Ferrovial Servicios Ambientales		Berliam S.p.A.	99,7 %	0	2
Inversiones (Chile) Holdings Limitada		Ferrovial Servicios Chile SpA	100,0 %	0	2
Inversiones (Chile) Limitada		Inversiones (Chile) Holding	100,0 %	0	
Ferrovial Servicios Salud, SpA		Ferrovial Servicios Chile	100,0 %	0	

Auditor Key:

Auditors: (1) EY; (2) Deloitte; (3) BDO; (4) PWC; (5) KPMG; (6) Vir Audit; (7) Elayouty

(a) Form part of the tax scope of Ferrovial, S.A. and subsidiaries.

(*) New legal names (effective as of the first week of January 2022)

(P) Project Company

(Net Cost Ownership: Net Cost of the parent company over the dependent)

Appendix II. Associate companies (equity-accounted companies) (million euro)

Entity	Type	Parent	% Ownership	Value Eq. Metho	Assets.	Liab.	Reven.	Results	Audit
ENERGY INFRAESTRUCTURES AND MOBILITY									
SPAIN									
Car Sharing Mobility Services, S.L.		Ferrovial Mobility, S.L.U.	50,0 %	7	27	4	8	-5	
Cartera Ceres Consolidado		Ferrovial 004, S.A. (a)	24,8 %	18	0	0	0	0	
FRANCE									
Car Sharing & Mobility Services France, S.A.S		Car Sharing Mobility Services, S.L.	50,0 %	1	3	4	5	-4	
PORTUGAL									
Utopias Exigentes Unipessoal, Lda		Car Sharing Mobility Services, S.L.	50,0 %	0	0	0	0	0	
ITALY									
Car Sharing Mobility Services Italy		Car Sharing Mobility Services, S.L.	50,0 %	1	2	1	1	-4	
UNITED KINGDOM									
Thalia Infrastructure Management (2) Ltd		Amey Ventures Asset Holdings Ltd	50,0 %	2	107	151	121	156	1
AWRP Holding Co Limited		Amey Infrastructure Management (2) Ltd	33,3 %	0	0	0	0	0	1
AWRP SPV Limited		AWRP Holding Co Limited	33,3 %	0	0	0	0	0	1
CONSTRUCTION									
CANADA									
Ontario Transit Group Inc.		Ontario Transit FCCI (Hold Co) Inc.	50,0 %	-6	0	0	0	0	
SPAIN									
Via Olmedo Pedralba, S.A.		Ferrovial Construccion, S.A.	25,2 %	1	5	1	5	0	3
Boremer, S.A.		Cadagua, S.A.	50,0 %	1	2	1	0	0	2
UNITED STATES									
Pepper Lawson Horizon Intl. Group		Webber Commercial Construction LLC	70,0 %	0	2	2	0	0	
OMÁN									
International Water Treatment LLC		Cadagua, S.A.	37,5 %	2	0	0	0	3	4
POLAND									
PPHU Promos Sp. z o.o.		Budimex SA	26,3 %	1	3	2	3	0	
AIRPORTS									
UNITED KINGDOM									
FGP Topco Limited	P	Hubco Netherlands B.V.	25,0 %	0	22.424	25.768	3.417	302	4
AGS Airports Holdings Limited	P	Faero UK Holding Limited	50,0 %	0	1.453	1.468	195	-54	2
QATAR									
FMM Company LLC	P	Ferrovial Servicios S.A.U.	49,0 %	19	67	28	88	12	
UNITED STATES									
JFK NTO SPONSOR AGGREGATOR LLC.	P	MARS NTO LLC	49,0 %	174	4.774	4.417	2	2	1
TOLL ROADS									
AUSTRALIA									
Nexus Infrastructure Holdings Unit Trust	P	Cintra Toowoomba Ltd	40,0 %	3	1	0	0	0	
Nexus Infrastructure Unit Trust	P	Nexus Infrastructure Holdings Unit Trust	40,0 %	11	44	18	34	6	
Nexus Infrastructure Holdings PTY Ltd	P	Cintra Toowoomba Ltd	40,0 %	0	0	0	0	0	
Nexus Infrastructure PTY Ltd	P	Nexus Infrastructure Holdings PTY Ltd	40,0 %	0	0	0	0	0	
Netflow Osars (Western) GP	P	Cintra Osars (Western) Unit Trust	50,0 %	50	191	91	35	4	
SPAIN									
Serranopark, S.A.	P	Cintra Infraestructuras Spain, S.L.	50,0 %	0	74	53	7	1	2
Sociedad Concesionaria Autovía de la Plata, S.A.	P	Cintra Infrastructures SE	25,0 %	17	232	166	25	12	2
Bip & Drive, S.A.	P	Cintra Infraestructuras Spain, S.L.	20,0 %	3	24	6	16	4	
Empresa Mant. y Explotación M30, S.A.		Ferrovial Servicios, S.A.	50,0 %	-34	221	221	35	15	5
Madrid Calle 30, S.A.	P	Empresa Mant. y Explotación M30,	10,0 %	51	643	136	133	55	8
CANADA									
407 International Inc	P	4352238 Cintra Canada Inc	43,2 %	1.063	3.756	7.483	969	318	
407 East Development Group General Partnership	P	Cintra 407 East Development Group Inc	50,0 %	15	157	112	9	3	
OM&R 407 East Development Group General Partnership	P	Cintra OM&R 407 East Development Group Inc	50,0 %	1	6	4	6	1	
Blackbird Maintenance 407 GP	P	Blackbird Maintenance 407 Cintra GP Inc	50,0 %	1	6	5	4	0	3

Entity	Type	Parent	% Ownership	Value Eq. Metho	Assets.	Liab.	Reven.	Results	Audit
Blackbird Infrastructures 407 GP	P	Blackbird Infrastructures 407 Cintra GP Inc	50,0 %	13	97	70	8	1	3
COLOMBIA									
Concesionaria Ruta del Cacao S.A.S.	P	Cintra Infraestructuras Colombia S.A.S.	30,0 %	8	589	561	120	-6	2
SLOVAKIA									
Zero Bypass Limited, Organizacna Zloska	P	Zero Bypass Ltd	35,0 %	0	0	0	0	0	
INDIA									
IRB Infrastructure Developers Limited		Cintra INR Investments B.V.	24,9 %	377	4.929	3.452	619	75	5
IRELAND									
Eurolink Motorway Operation (N4-N6) Ltd	P	Cintra Infraestructuras Ireland, S.L.U.	20,0 %	9	238	128	27	5	2
Eurolink Motorway Operations (M3) Ltd	P	Cinsac Ltd	20,0 %	9	124	80	20	5	2
UNITED KINGDOM									
Scot Roads Partnership Holdings Ltd	P	Cintra Infrastructures UK	20,0 %	0	0	0	0	0	
Scot Roads Partnership Finance Ltd	P	Scot Roads Partnership Holdings Ltd	20,0 %	0	407	407	0	0	
Scot Roads Partnership Project Ltd	P	Scot Roads Partnership Holdings Ltd	20,0 %	0	428	428	41	0	
Zero Bypass Holdings Ltd	P	Cintra Slovakia Ltd	35,0 %	0	0	0	0	0	
Zero Bypass Ltd	P	Zero Bypass Holdings Ltd	35,0 %	20	1.029	972	51	0	
RiverLinx Holdings Ltd	P	Cintra Silvertown Ltd	22,5 %	0	0	0	0	0	
RiverLinx Ltd	P	RiverLinx Holdings	22,5 %	55	1.233	988	287	1	
Total value by equity method continued operations				**1.891**					

Auditor key:

(1) EY; (2) Deloitte; (3) BDO; (4) PwC; (5) KPMG; (6) Vir Audit; (7) Mazars; (8) PKF; (9) Martins Pereira, Joao Careca & Associados, Sroc.; (10) Grant Thornton UK LLP; (11) 3 Auditores SLP

(P) Project Company

(Value Eq. Method: Net Cost of the parent company over the equity method society)

Appendix III. Segment reporting

The Board of Directors analyses the Group's performance essentially from a business perspective. The Board assesses the performance of the Construction, Toll Roads, Airports and Energy and Mobility segments. The balance sheet and income statement are analyzed below by segment for 2022 and 2021. The "Other" column includes the assets and/or liabilities and income and/or expenses of corporate companies that do not carry out business activities, including most notably the parent company Ferrovial, S.A. and the result of discontinued operations. The "Adjustments" column reflects inter-segment consolidation eliminations.

Balance sheet by business segment: 2022 (million euro).

Assets (million euro)	Note	Constructio n	Toll Roads	Airports	Energy and mobility infrastructures	Other areas	Adjustments	2022
Non-current assets		**1,067**	**16,121**	**1,069**	**592**	**684**	**-668**	**18,865**
Goodwill on consolidation	3.1	132	265	27	56	0	0	480
Intangible assets	3.2	38	0	-1	80	20	0	137
Fixed assets in infrastructure projects	3.3	87	12,952	632	77	0	-81	13,667
Investment property		0	0	0	0	0	0	0
Property, plant and equipment	3.4	233	35	1	196	12	2	479
Rights of use	3.7	136	4	0	21	22	0	183
Investments in associates	3.5	-2	1,672	194	28	0	0	1,892
Non-current financial assets	3.6	74	986	157	12	455	-589	1,095
Loans granted to associates		0	95	115	4	32	0	246
Restricted cash in infrastructure projects and other financial assets	5.2	0	556	41	0	0	0	597
Other receivables		74	336	1	8	422	-589	252
Deferred taxes	2.8	365	141	53	62	163	0	784
Long-term financial derivatives at fair value	5.5	4	66	6	60	12	0	148
Current assets		**5,452**	**3,352**	**203**	**292**	**1,593**	**-3,473**	**7,419**
Assets held for sale	1.1.3	2	0	0	0	0	0	2
Inventories	4.1	450	10	0	9	1	6	476
Current income tax assets		100	19	9	5	73	-187	19
Short-term trade and other receivables	4.2	1,422	247	13	76	482	-631	1,609
Trade receivables for sales and services		1,235	73	3	53	25	-89	1,300
Other short-term receivables		187	174	9	23	456	-540	309
Other short-term financial assets		0	0	0	0	0	0	0
Cash and cash equivalents	5.2	3,477	2,902	176	202	1,034	-2,661	5,130
Loans to Group companies		1,283	598	152	72	576	-2,681	0
Other		2,194	2,304	24	131	458	19	5,130
Short-term financial derivatives at fair value	5.5	1	174	5	0	3	1	184
TOTAL ASSETS		**6,519**	**19,473**	**1,272**	**884**	**2,277**	**-4,141**	**26,284**

Liabilities and equity (million euro)	Note	Constructio	Toll Roads	Airports	Energy and	Other areas	Adjustments	2022
Equity	**5.1**	**1,760**	**7,954**	**550**	**241**	**-4,171**	**20**	**6,354**
Equity attributable to shareholders		1,577	5,986	456	241	-4,171	24	4,113
Equity attributable to non-controlling interests		183	1,968	94	0	0	-4	2,241
Deferred income	**6.1**	**0**	**1,377**	**13**	**20**	**0**	**0**	**1,410**
Non-current liabilities		**433**	**8,958**	**501**	**349**	**3,500**	**-599**	**13,142**
Pension plan deficit	6.2	2	0	0	0	0	0	2
Long-term provisions	6.3	104	105	0	3	204	0	416
Long-term lease liabilities	3.7	88	1	0	12	20	-1	120
Borrowings	5.2	158	7,608	95	247	3,264	-596	10,776
Payables to Group companies		54	123	0	27	389	-593	0
Other		104	7,485	95	220	2,875	-3	10,776
Debentures and payables of infrastructure project		95	7,484	95	219	0	0	7,893
Debentures and payables of ex-infrastructure project		9	0	0	0	2,874	0	2,883
Other payables	6.4	3	557	276	4	-1	-1	838
Deferred taxes	2.8	78	629	130	80	8	-1	924
Financial derivatives at fair value	5.5	0	58	0	3	5	0	66
Current liabilities		**4,326**	**1,184**	**208**	**274**	**2,949**	**-3,562**	**5,378**
Liabilities held for sale	1.1.3	0	0	0	0	0	0	0
Short-term lease liabilities	3.7	51	3	1	8	2	-1	64
Borrowings	5.2	59	822	136	61	2,465	-2,666	877
Payables to Group companies		42	779	77	30	1,749	-2,677	0
Other		17	43	59	31	716	11	877
Financial derivatives at fair value	5.5	1	45	0	0	0	1	47
Current income tax liabilities		122	-42	0	1	136	-187	30
Short-term trade and other payables	4.3	3,278	323	71	134	334	-709	3,431
Trade provisions	6.3	815	33	0	70	12	0	930
TOTAL LIABILITIES AND EQUITY		**6,519**	**19,473**	**1,272**	**884**	**2,277**	**-4,141**	**26,284**

Balance sheet by business segment: 2021 (million euro).

Assets (million euro)	Note	Construction	Toll Roads	Airports	Energy and mobility infrastructure	Other areas	Adjustments	2021 (*)
Non-current assets		**943**	**14,390**	**146**	**408**	**449**	**-484**	**15,852**
Goodwill on consolidation	3.1	127	251	0	52	0	1	431
Intangible assets	3.2	39	0	0	77	10	0	126
Fixed assets in infrastructure projects	3.3	91	11,205	0	80	0	-191	11,185
Investment property		0	0	0	0	0	0	0
Property, plant and equipment	3.4	201	21	0	129	12	-9	354
Rights of use	3.7	126	3	2	25	21	-1	176
Investments in associates	3.5	2	1,809	20	7	0	0	1,838
Non-current financial assets	3.6	23	703	123	4	311	-285	879
Loans granted to associates		0	93	113	-1	21	1	227
Restricted cash in infrastructure projects and other financial assets	5.2	0	579	0	0	0	0	579
Other receivables		23	31	9	5	290	-285	73
Deferred taxes	2.8	334	111	1	38	84	2	570
Long-term financial derivatives at fair value	5.5	0	287	0	-4	11	-1	293
Current assets		**4,951**	**3,285**	**52**	**267**	**3,084**	**-2,609**	**9,030**
Assets held for sale	1.1.3	2	26	0	0	1,612	1	1,641
Inventories	4.1	374	14	0	8	1	7	404
Current income tax assets		100	37	10	19	79	-166	79
Short-term trade and other receivables	4.2	1,181	160	5	61	114	-177	1,344
Trade receivables for sales and services		1,017	121	1	49	30	-150	1,068
Other short-term receivables		165	39	4	12	84	-28	276
Other short-term financial assets		0	0	0	0	11	0	11
Cash and cash equivalents	5.2	3,293	3,033	37	179	1,267	-2,273	5,536
Loans to Group companies		1,009	467	26	64	714	-2,280	0
Other		2,284	2,566	11	115	554	6	5,536
Short-term financial derivatives at fair value	5.5	1	15	0	0	0	-1	15
TOTAL ASSETS		**5,894**	**17,675**	**198**	**675**	**3,533**	**-3,093**	**24,882**

Liabilities and equity (million euro)	Note	Construction	Toll Roads	Airports	Energy and mobility infrastructure	Other areas	Adjustments	2021 (*)
Equity	5.1	**1,439**	**6,962**	**143**	**-6**	**-2,871**	**162**	**5,829**
Equity attributable to shareholders		1,284	5,322	143	-6	-2,872	168	4,039
Equity attributable to non-controlling interests		155	1,640	0	0	1	-6	1,790
Deferred income	6.1	**0**	**1,379**	**0**	**23**	**0**	**1**	**1,403**
Non-current liabilities		**435**	**8,258**	**22**	**344**	**2,383**	**-335**	**11,107**
Pension plan deficit	6.2	3	0	0	0	0	0	3
Long-term provisions	6.3	107	110	0	3	201	1	422
Long-term lease liabilities	3.7	82	1	1	13	19	-1	115
Borrowings	5.2	164	7,252	21	259	2,129	-312	9,513
Payables to Group companies		50	169	21	72	0	-312	0
Other		114	7,083	0	187	2,129	0	9,513
Debentures and payables of infrastructure project companies		93	7,082	0	187	0	0	7,362
Debentures and payables of ex-infrastructure project		21	0	0	1	2,129	0	2,151
Other payables	6.4	0	98	0	4	-7	-23	72
Deferred taxes	2.8	77	551	0	49	10	0	687
Financial derivatives at fair value	5.5	2	246	0	16	31	0	295
Current liabilities		**4,020**	**1,076**	**33**	**314**	**4,021**	**-2,921**	**6,543**
Liabilities held for sale	1.1.3	0	0	0	0	1,395	0	1,395
Short-term lease liabilities	3.7	46	2	0	7	2	1	58
Borrowings	5.2	142	878	36	159	2,372	-2,491	1,096
Payables to Group companies		120	836	36	135	1,364	-2,491	0
Other		22	42	0	24	1,008	0	1,096
Financial derivatives at fair value	5.5	6	92	3	-2	11	0	110
Current income tax liabilities		121	-107	-10	1	214	-150	69
Short-term trade and other payables	4.3	2,845	175	4	64	15	-290	2,813
Trade provisions	6.3	860	36	0	85	12	9	1,002
TOTAL LIABILITIES AND EQUITY		**5,894**	**17,675**	**198**	**675**	**3,533**	**-3,093**	**24,882**

(*) Restated figures (Note 1.1.5)

Total assets by geographic area break down as follows:

(Million euro)	2022	2021 (*)	CHANGE
Spain	1,982	2,970	-988
Canada	3,569	3,506	62
USA	14,940	12,988	1,952
UK	852	1,837	-985
Poland	1,661	1,551	109
Chile	707	525	182
Turkey	704	0	704
India	380	378	1
Other	1,490	1,126	364
TOTAL	**26,284**	**24,882**	**1,402**

(*) Restated figures (Note 1.1.5)

Income statement by business segment: 2022 (million euro).

	Construction	Toll Roads	Airports	Energy and mobility infrastructures	Other segments	Adjustments	Total 2022
Revenue	6,463	780	54	296	178	-220	7,551
Other operating income	2	0	0	0	1	-1	2
Total operating income	**6,465**	**780**	**54**	**296**	**179**	**-221**	**7,553**
Materials consumed	1,152	4	0	40	0	1	1,197
Other operating expenses	3,976	157	48	107	116	-222	4,182
Staff costs	1,161	69	8	136	73	-1	1,446
Total operating expenses	**6,289**	**230**	**56**	**283**	**189**	**-222**	**6,825**
EBITDA	**176**	**550**	**-2**	**13**	**-9**	**0**	**728**
Fixed asset depreciation	113	160	7	12	7	0	299
Operating profit/(loss) before impairment and disposal of fixed assets	63	390	-9	1	-16	0	429
Impairment and disposal of fixed assets	0	-3	0	-3	0	0	-6
Operating profit/(loss)	**63**	**387**	**-9**	**-2**	**-16**	**0**	**423**
Net financial income/(expense) from financing	-5	-232	0	-7	0	1	-243
Profit/(loss) on derivatives and other net financial income/(expense)	1	-114	-9	1	0	-1	-122
Net financial income/(expense) from infrastructure projects	-4	-346	-9	-6	0	0	-365
Net financial income/(expense) from financing	40	-8	0	-2	-30	1	1
Profit/(loss) on derivatives and other net financial income/(expense)	-35	4	28	0	48	-1	44
Net financial income/(expense) from other companies	5	-4	28	-2	18	0	45
Net financial income/(expense)	**1**	**-350**	**19**	**-8**	**18**	**0**	**-320**
Share of profits of equity-accounted companies	1	158	7	-1	0	0	165
Consolidated profit/(loss) before tax	**65**	**195**	**17**	**-11**	**2**	**0**	**268**
Corporate income tax	-5	-39	2	-4	16	0	-30
Consolidated profit/(loss) from continuing operations	60	156	19	-15	18	0	238
Net profit/(loss) from discontinued operations	0	0	0	0	64	0	64
Consolidated profit/(loss) for the year	**60**	**156**	**19**	**-15**	**82**	**0**	**302**
Profit/(loss) for the year attributed to non-controlling interests	-42	-65	-8	0	0	-1	-116
Profit/(loss) for the year attributed to parent company	**18**	**91**	**11**	**-15**	**82**	**-1**	**186**

Income statement by business segment: 2021 (million euro).

	Construction	Toll Roads	Airports	Energy and mobility infrastructure	Other segments	Adjustments	Total 2021 (*)
Revenue	6,077	588	2	252	157	-166	6,910
Other operating income	1	0	0	0	0	0	1
Total operating income	**6,078**	**588**	**2**	**252**	**157**	**-166**	**6,911**
Materials consumed	1,046	3	0	35	0	1	1,085
Other operating expenses	3,720	120	24	112	114	-167	3,923
Staff costs	1,067	50	4	117	54	1	1,293
Total operating expenses	**5,833**	**173**	**28**	**264**	**168**	**-165**	**6,301**
EBITDA	**245**	**415**	**-26**	**-13**	**-12**	**1**	**610**
Fixed asset depreciation	112	141	0	12	5	0	270
Operating profit/(loss) before impairment and disposal of fixed assets	132	275	-26	-24	-17	0	340
Impairment and disposal of fixed assets	22	1,117	0	0	1	-1	1,139
Operating profit/(loss)	**154**	**1,392**	**-26**	**-24**	**-16**	**-1**	**1,479**
Net financial income/(expense) from financing	-7	-206	0	-6	0	-1	-220
Profit/(loss) on derivatives and other net financial income/(expense)	0	-88	0	1	0	0	-87
Net financial income/(expense) from infrastructure projects	-7	-294	0	-5	0	-1	-307
Net financial income/(expense) from financing	1	8	0	-1	-36	1	-27
Profit/(loss) on derivatives and other net financial income/(expense)	-24	2	-6	3	23	1	-1
Net financial income/(expense) from other companies	-23	10	-6	2	-13	2	-28
Net financial income/(expense)	**-30**	**-284**	**-6**	**-3**	**-13**	**1**	**-335**
Share of profits of equity-accounted companies	0	81	-254	-6	1	0	-178
Consolidated profit/(loss) before tax	**124**	**1,189**	**-286**	**-33**	**-28**	**0**	**966**
Corporate income tax	-49	-71	7	5	116	1	9
Consolidated profit/(loss) from continuing operations	75	1,118	-279	-28	88	1	975
Net profit/(loss) from discontinued operations	115	0	0	0	246	0	361
Consolidated profit/(loss) for the year	**190**	**1,118**	**-279**	**-28**	**334**	**1**	**1,336**
Profit/(loss) for the year attributed to non-controlling interests	-105	-29	0	0	-3	-1	-138
Profit/(loss) for the year attributed to parent company	**85**	**1,089**	**-279**	**-28**	**331**	**0**	**1,198**

(*) Restated figures (Note 1.1.5)

SECTION 7: EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 1.1.1). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Translation of consolidated financial statements originally. In the event of a discrepancy, the Spanish-language version prevails.

English translation for information purposes only. In the event of discrepancies between the English and the Spanish version, the Spanish version shall prevail.

FERROVIAL, S.A.

The consolidated financial statements –consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated statement of cash flows and consolidated notes to the financial statements- and the consolidated management report (which includes the consolidated non-financial information statement) of Ferrovial, S.A. and its subsidiaries for the year ended 31 December 2022 have been drafted following the European Single Electronic Format (ESEF), according to Delegated Regulation (EU) 2019/815, with identification number 51ED5C43F22366FEA11EF821FA8FA9CCF6BE720BD9F6079836B855CDBFAFDDB7. The Annual Report on Corporate Governance, with identification number 0F011B5B351B9A4742772CF260E2EDE0E1F221BA07DF3269629BD0A1A4F28308, and the Annual Report on Directors' Remuneration, with identification number 2F2BBAD4127B141914EEB2F1C935068A592FAC28F23EB43B486B3B0B97583354, are part of the consolidated management report, to which those reports have been incorporated by reference.

The consolidated financial statements and management report have been approved by the Board of Directors of Ferrovial, S.A. at its meeting held in Madrid on 28 February 2023 and, for the purposes of article 253 of the Spanish Capital Companies Act, the Directors sign below.

Mr. Rafael del Pino y Calvo-Sotelo
Chairman

Mr. Óscar Fanjul Martín
Vice-Chairman

Mr. Ignacio Madridejos Fernández
Chief Executive Officer

Ms. María del Pino y Calvo-Sotelo
Director

Mr. José Fernando Sánchez-Junco Mans
Director

Mr. Philip Bowman
Director

Ms. Hanne Birgitte Breinbjerg Sørensen
Director

Mr. Bruno Di Leo
Director

Mr. Juan Hoyos Martínez de Irujo
Director

Mr. Gonzalo Urquijo Fernández de Araoz
Director

Ms. Hildegard Wortmann
Director

Ms. Alicia Reyes Revuelta
Director

The Secretary of the Board of Directors states for the record that the Directors Mr. Philip Bowman and Mr. Gonzalo Urquijo have not signed this document as they attended the meeting of the Board of Directors held on 28 February 2023 remotely by technical means. These Directors voted in favour of the approval of the consolidated financial statements and the consolidated management report of Ferrovial, S.A. and its subsidiaries for the year ended 31 December 2022.

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Mr. Santiago Ortiz Vaamonde
Secretary of the Board of Directors

Audit Report on the Consolidated Financial Statements
issued by an Independent Auditor

FERROVIAL, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2022

Ernst & Young, S.L.
Calle de Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
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Building a better working world

AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of FERROVIAL, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of FERROVIAL, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position at December 31, 2022, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated of cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2022 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Domicilio Social: C/ Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue from long-term contracts

Description

A considerable amount of the Ferrovial Group's revenue relates to long-term construction contracts, in which revenue is recognized over time in accordance with the stage of completion method. Revenue recognition for these contracts requires that management make significant estimates, among others, of the costs to be incurred and, where applicable, the amount of any modifications, claims or disputes arising in connection with the initial contract that will ultimately be accepted by the customer. The disclosures pertaining to this revenue can be found in Notes 1.3.3.4, 2.1 and 4.4 to the accompanying consolidated financial statements.

Due to the complexity of making the aforementioned estimates, which requires that Ferrovial Group management make judgments when determining the assumptions considered and the fact that changes in these assumptions could give rise to material differences in the revenue recognized, we determined this to be a key audit matter.

Our response

In relation to this matter, our Audit procedures included:

- Understanding the policies and procedures the Group applies to revenue recognition, including an evaluation of the design and implementation of key controls related to revenue recognition using the stage-of-completion method and to budget planning, assessing methodology and monitoring the assumptions used in the preparation of contract budgets.
- Selecting a sample of contracts to assess the most significant estimates affecting revenue recognition, obtaining supporting documentation for these estimates as well as evidence of the judgments made; identifying relevant contractual clauses such as penalties or discounts, and assessing whether such clauses have been adequately reflected in the amounts recognized in the consolidated financial statements.
- Conducting a comparative analysis of budgeted vs actual revenue from contracts completed during the year, and analyzing Ferrovial Group management's monitoring of contract risks.
- Evaluating the reasonableness of the estimate of completed construction pending certification recognized as revenue at year-end, checking the status of negotiations with customers for the main contracts and reviewing the reasonableness of the documentation substantiating the probability of recovery, taking into account our own expectations based on our knowledge of the client and our experience in the sector as well as in the countries where the Ferrovial Group operates.
- Determining whether the provisions recognized at year-end reasonably reflect the main obligations and the level of risk of the contracts in question.
- Checking that the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

Recognition and recoverability of investments in infrastructure projects operated under concession arrangements

Description

As explained in Note 1.3.3.2 to the accompanying consolidated financial statements, concession arrangements for which the resulting consideration consists of an unconditional contractual right to receive cash or other financial assets from the grantor (or on the grantor's behalf) as compensation for construction and operating services and for which the grantor has little or no discretion to avoid payment, are classified as a financial asset. In addition, concession agreements in which the consideration received consists of the right to charge the corresponding tariffs based on the degree of use of the public service are classified as intangible assets. Both models are recorded in accordance with IFRIC12 "Service Concession Arrangements." "Fixed assets in infrastructure projects" in the consolidated statement of financial position at December 31, 2022 includes 13,667 million euros for this item, of which 13,504 million euros correspond to concessions considered as intangible assets and 163 million euros to concessions considered as financial assets. The disclosures pertaining to these assets can be found in Note 3.3 to the accompanying consolidated financial statements.

Ferrovial Group management makes estimates regarding concession models which include forecasts of operating expenses, investments, and the internal rate of return. In addition, Ferrovial Group management tests its most significant operating concession assets annually when there are indications of impairment.

Given the complexity associated with making the aforementioned estimates and determining the related assumptions considered, as well as the material impact that changes in these assumptions could have on the accompanying consolidated financial statements, and given the significance of the amounts of investments in infrastructure projects carried out under concession, we determined the recognition and recoverability of these assets to be a key audit matter.

Our response

In this regard, our audit procedures included:

- Understanding the policies and procedures applied to concession assets, including evaluation of the design and implementation of key controls related to the process.
- Reviewing the terms and conditions of concession arrangements to determine whether they have been correctly recorded.
- Reviewing and assessing, for a sample of concession assets, the reasonableness of the methodologies used by the Group to estimate payments and collections and their effect on the internal rate of return.
- Performing substantive tests based on financial economic models of infrastructure projects, verifying the arithmetical accuracy of the calculations made, and assessing the reasonableness of the main projected operating assumptions (mainly related to traffic, tariffs, operating costs, and investment disbursements) and their consistency with the terms and conditions of the concession.
- Reviewing, in collaboration with valuation specialists, the reasonableness of the methodology used by the Group, and the construction of discounted cash flows, focusing on the discount rate and long-term growth rate applied, as well as the related sensitivity analyses carried out.
- Checking that the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

Recoverability of the investments held in 407 International Inc. and IRB Infrastructure Developers Limited, and goodwill

Description

As explained in Note 3.5 to the accompanying consolidated financial statements, at December 31, 2022, the Group had investments in associates 407 International Inc. and IRB Infrastructure Developers Limited amounting to 1,063 and 377 million euros, respectively.

Moreover, as explained in Note 3.1, the Group has goodwill on consolidation amounting to 480 million euros at December 31, 2022 related to certain investments, associated mainly with cash generating units of the Toll roads (I-66 Express Mobility Partners) and Construction Divisions (Webber and Budimex) amounting to 265, 67 y 65 million euros, respectively.

Where required, the Group tests these assets for impairment at least annually. The disclosures pertaining to these assets can be found in Notes 3.1.2 and 3.5 to the accompanying consolidated financial statements.

The assessment of possible impairment is a key audit matter as it requires estimates that involve the application of judgments both when determining the valuation method used and when evaluating key assumptions related to the future results of the cash generating units to which the goodwill belongs, as well as determining the recoverable amount of equity method investments in which discount rates, business plans, and tariffs are also involved.

Our response

In this regard, our audit procedures included:

- Understanding the policies and procedures the Group applies to assessing goodwill and investments in associates for impairment to determine the recoverable amount of its non-current assets, including evaluation of the design and implementation of related key controls.
- Analyzing internal and external factors taken into account by Ferrovial Group management to conclude on the existence or non-existence of objective indicators of impairment.
- Assessing the reasonableness of the methodology used by Group management to determine the recoverable amount of the assets, involving our valuation specialists in the review of the valuation method used and the uniformity with which it is applied, verifying arithmetical calculations and evaluating the discount rates and long-term growth rates used.
- Reviewing projected financial information, analyzing the congruency among the various assumptions and their reasonableness.
- Verifying that the financial projections used to calculate value in use agree with the latest financial information available to management.
- Analyzing the sensitivity of profit and loss to certain key assumptions.
- Checking that the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

Other information: consolidated management report

Other information refers exclusively to the 2022 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the consolidated non-financial statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2022 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company´s directors and the audit and control committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit and control committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit and control committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and control committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit and control committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of FERROVIAL, S.A. and subsidiaries for the 2022 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of FERROVIAL S.A. are responsible for submitting the annual financial report for the 2022 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors have been incorporated by reference in the consolidated management report.

Our responsibility consists of examining the digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit and control committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit and control committee on February 27, 2023.

Building a better working world

Term of engagement

The ordinary general shareholders' meeting held on April 17, 2020 appointed us as auditors for 3 years, commencing on December 31, 2020.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signed on the original version In Spanish)

Francisco Rahola Carral
(Registered in the Official Register of Auditors under No. 20597)

February 28, 2023

English translation for information purposes only. In the event of discrepancies between the English and the Spanish version, the Spanish version shall prevail.

STATEMENT OF RESPONSIBILITY ON THE ANNUAL FINANCIAL REPORT 2022

The members of the Board of Directors of Ferrovial, S.A. state that, to the best of their knowledge, the individual financial statements of Ferrovial, S.A. and the consolidated financial statements of Ferrovial, S.A. and its subsidiaries, for the financial year ended 31 December 2022 that have been prepared by the Board of Directors at its meeting held on 28 February 2023, have been drafted in accordance with the applicable accounting standards and provide a true and fair view of the assets, the financial situation and results of Ferrovial, S.A. and of its subsidiaries including within its scope of consolidation taken as a whole, and that the management reports, individual and consolidated, contain an accurate analysis of the corporate performance, results and position of Ferrovial, S.A. and of its subsidiaries included within its scope of consolidation taken as a whole, together with the description of the main risks and uncertainties they face.

And for the appropriate purposes, this statement is hereby issued, in accordance with article 8.1.b) of Royal Decree 1362/2007, of 19 October.

Madrid, 28 February 2023.

Mr. Rafael del Pino y Calvo-Sotelo
Chairman

Mr. Óscar Fanjul Martín
Vice-Chairman

Mr. Ignacio Madridejos Fernández
Chief Executive Officer

Ms. María del Pino y Calvo-Sotelo
Director

Mr. José Fernando Sánchez-Junco Mans
Director

Mr. Philip Bowman
Director

Ms. Hanne Birgitte Breinbjerg Sørensen
Director

Mr. Bruno Di Leo
Director

Mr. Juan Hoyos Martínez de Irujo
Director

Mr. Gonzalo Urquijo Fernández de Araoz
Director

Ms. Hildegard Wortmann
Director

Ms. Alicia Reyes Revuelta
Director

The Secretary of the Board of Directors states for the record that the Directors Mr. Philip Bowman and Mr. Gonzalo Urquijo have not signed this document as they attended the meeting of the Board of Directors held on 28 February 2023 remotely by technical means. These Directors voted in favour of the statement of responsibility for the content of the individual and consolidated financial statements and the management reports of Ferrovial, S.A. for the year ended 31 December 2022.

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Mr. Santiago Ortiz Vaamonde
Secretary of the Board of Directors

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Prepared and produced by Ferrovial's Communication and Corporate Responsibility Department and Economic-Financial Department.