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Ruta del Cacao Toll Road, Antioquia, Colombia.

Strategy and value creation



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Strategy and value creation

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and Mobility



GLOBAL VISION

Shared value

2021 has set the base for recovery from the economic and health effects of the COVID-19 pandemic. During the year, some assets reached pre-pandemic traffic levels, although the outbreak of new variants still impacts their performance.

The epidemiological evolution and the vaccination campaigns in the markets where Ferrovial operates relieved the pressure on hospital admissions, easing mobility restrictions and enabling the gradual recovery of the economic activity.

Growth prospects are supported by the implementation of the announced recovery plans (for example US Infrastructure Investment and Jobs Act, EU Next Generation Funds or UK Build Back Better among others), which will contribute to the transformation of the infrastructure sector towards a more green, digital and inclusive industry.

This context presents several opportunities and challenges for Ferrovial:

- New COVID-19 outbreaks may continue to impact mobility, traffic patterns and business travel.
- Congestion in cities and in their access routes will demand new infrastructure and innovative mobility alternatives.
- Digitalization of transport infrastructure and the increasing need for connectivity will require investments in technology to enhance safety and travel time reliability.
- The evolution of inflation and energy prices, supply chain shortages and labor market disruption may impact economic recovery in the markets where the company operates.
- Decarbonization commitments will increase the demand for new energy infrastructure, such as renewable energies and other net-zero technology solutions.

The company is proactively addressing this changing context to develop business opportunities aligned with its strategy.

STRATEGY

Ferrovial has completed its second year of Horizon 24, reaffirming its strategy with a focus on growth in infrastructure. During 2021 the company announced corporate transactions to grow in its core toll roads business (such as the stake increase in the I-66 in USA or the acquisition of 24.9% of IRB in India). In addition, the company established the Energy Infrastructure and Mobility business unit, to develop new projects related to sustainable infrastructure. Ferrovial has also divested several non-infra and services businesses, and is committed to reach the full divestment of the Services division.

Strategic priorities

- **People:** promote the highest standards for health and safety in its operations, committing to train employees and leveraging real time data to predict and prevent accidents. Ferrovial will continue identifying, developing and retaining talent, acknowledging the importance of diversity and engagement as a source of competitive advantage and future growth.

- **Sustainable growth:** develop and operate sustainable, innovative and efficient infrastructure with high concessional value. The company will focus on its core markets (US, Canada, Spain, UK and Poland), while pursuing selective opportunities in other regions such as India, Australia and other selected countries in Latam and Europe.
 - In **Toll Roads**, continue developing greenfield traffic-risk projects (with a focus on managed lanes in North America) while proactively generating pipeline and bidding for other strategic projects.
 - In **Airports**, protect the value of assets in portfolio as the air travel sector recovers gradually, and develop selective opportunities for growth, establishing relationships with stakeholders to reinforce competitiveness.
 - In **Energy Infrastructure**, develop greenfield projects in transmission lines and renewables, leveraging internal industrial capabilities, and rotate assets to increase returns and recycle equity.
 - In **Construction**, support concession business while focusing on profitability and risk management. Reinforce competitiveness through advanced technical solutions and developing relationships with stakeholders, partners and clients in core geographies.
 - Ferrovial will explore opportunities in other sustainable infrastructure related sectors, such as water, mobility and vertiports.

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

- **Operational excellence:** continue reinforcing core processes and risk management, embedding technology within the business and turning global sustainability challenges into business opportunities with positive social impact. The company's sustainability strategy, aligned with the UN Sustainable Development Goals, commits to targets in decarbonization, water footprint, gender equality and integrity among others, and is endorsed by Ferrovial's presence in indexes such as Dow Jones Sustainability, Carbon Disclosure Project and FTSE4Good.
- **Innovation:** strengthen the core business through digitalization, supporting transformation and future growth (for example, enhancing road connectivity). Focus on automation, efficiency, competitiveness, agility, data and its monetization while enhancing an entrepreneurial and digital culture.

Horizon 24: Year Two

The Horizon 24 Strategic Plan, which covers the period 2020–2024, focuses on the development, construction and operation of sustainable infrastructures. Despite the difficulties imposed by COVID-19, Horizon 24 is progressing as planned.

VISION

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

PURPOSE

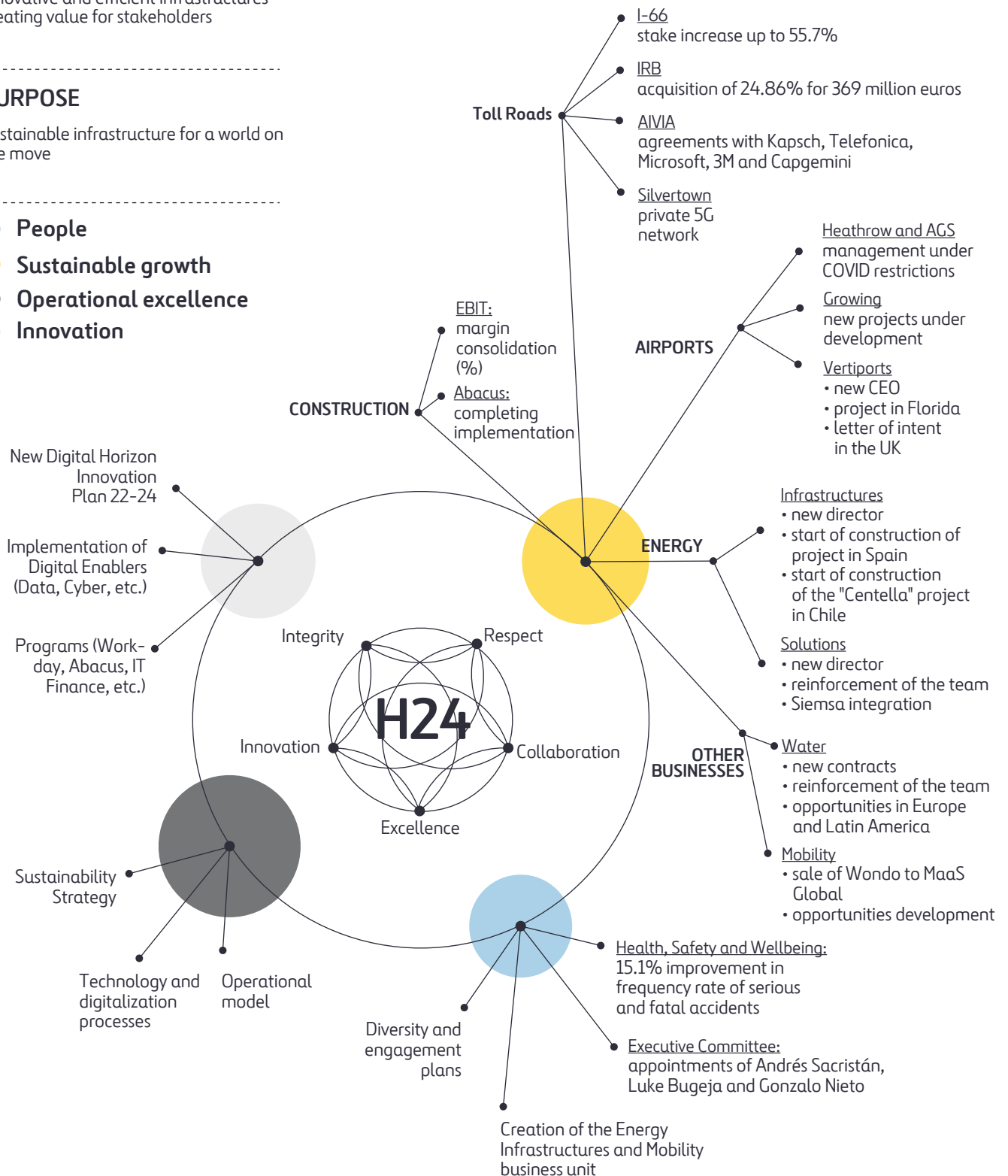
Sustainable infrastructure for a world on the move

● **People**

● **Sustainable growth**

● **Operational excellence**

● **Innovation**



TOLL ROADS

Solutions to urban congestion

Cintra develops projects that improve urban mobility, reducing congestion and contributing to the sustainable development of the comprehended areas. The projects developed improve the quality of life of its users.

NORTH AMERICA	CONCESSIONS	KILOMETERS	DIVIDENDS (M€)	INVESTMENT MANAGED (M€)
98%	24	1,497	469	22,386
Cintra's valuation by analysts' consensus				94% international

Cintra operates in markets with secure regulatory frameworks, with good economic prospects (North America, Europe and Australia), developed financial markets and 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.

The COVID-19 pandemic has kept affecting freedom of movement in all regions where Ferrovial has assets, especially in Canada. However, with the start of vaccination and the progressive lifting of restrictions during 2021, there was an increase in movement, which in certain assets reached a volume similar to pre-COVID levels, although showing notable differences according to geographies.

In accordance with the Horizon 24 Plan, whose priority is the development of the business in the US in highly complex assets, and the selective study of opportunities in new geographies. In September, Cintra was agreed to acquire an additional 5.704% of Managed Lanes I-66, increasing its stake to 55.704%. The acquisition of control of the concessionaire entails the recognition of a capital gain for Ferrovial of 1,117 million euros, since the 50% stake previously acquired must be valued at its market value. Also, it has identified the opportunity in the Indian toll road market by partnering with one of its leaders, IRB Infrastructure Developers Ltd.

Additionally, in December 2021, Cintra closed the issuance of 609 million dollars in senior secured notes in LBJ, extending the maturity of the debt (2057 versus 2050 of TIFIA) and lowering the all-in cost

(3.797% yield to maturity versus 4.22% of TIFIA coupon). FITCH has assigned a 'BBB' rating to the issuance of this debt.

During 2021, despite the complex environment in which the business has developed, the main assets have distributed dividends amounting to 469 million euros, which shows the financial soundness of Ferrovial's business model.

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 65.1% of the I-77 in North Carolina (USA). The asset I-66 (55.704%), in Virginia, and the 3C extension north of NTE 35W, in Texas, are in the construction phase.

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.

VALUE CREATION

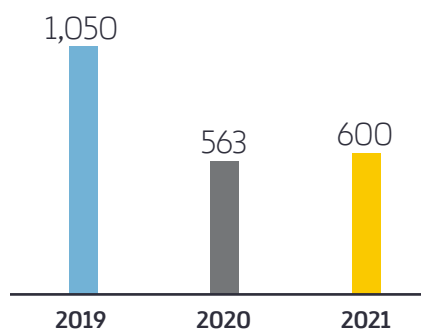
Highly complex greenfield projects

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.

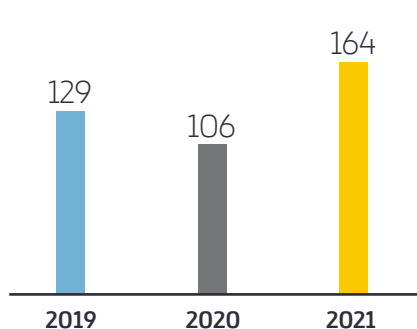
An example of this elimination of construction risks are the openings of different toll road sections in Colombia and Slovakia in 2021, achieved despite the difficult environment. In Ruta del Cacao (Colombia) it has opened four out of nine segments of the project, while in Slovakia it has opened all 59 kilometers of the D4R7 toll road and in OSARs (Australia) it has opened all eight sections of the project.

Turnover of mature assets

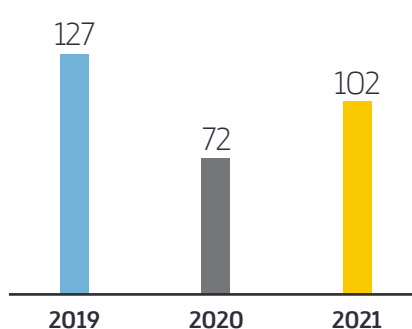
Value creation materializes with the sale of mature projects, whose incomes are invested in new assets with higher value creation potential.

407 ETR (CANADA)Dividends
M\$**NTE (USA)**

EBITDA M\$

**LBJ (USA)**

EBITDA M\$



One example is the transfer of the stake in two Portuguese toll roads to DIF infrastructure fund (49% of the Norte Litoral toll road and 48% of Via do Infante (Algarve)). The sale of Norte Litoral was completed in July 2021 for an additional 47 million euros, pending the sale of the Via do Infante concession (Algarve). Cintra will have a contract for the management of both assets until the end of the concessions.

Operational efficiency committed to the environment

Managed Lanes projects, which are the backbone of Ferrovial's strategy, have proven to be the most efficient way to respond to the growing demand for urban mobility. They are the solution to congested corridors in which dynamic fare management makes it possible to adapt the price to the user's habits and thus offer reliable travel times, in optimal traffic conditions that help reduce emissions in the corridor. Moreover, their construction is done while maintaining and, in some cases, increasing the capacity of the toll-free lanes, so that the user always has a free alternative option.

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 2021, despite the pandemic-driven environment, 18% of employees have had the opportunity to change position or location, and one in four people work in an international assignment.

AIVIA and the future of toll roads

Ferrovial continues to lead the development of intelligent corridors through its AIVIA initiative, for the Orchestration of Connected Corridors, together with leading companies such as Microsoft, 3M, Kapsch and Capgemini, among others. Telefonica Tech recently joined the agreement, which reinforces the commitment of all participants to connected mobility. The initiative develops the next generation of toll roads by hybridizing digital and network technologies such as 5G, V2X connectivity, sensors, advanced analytics or simulation with the physical infrastructure to reduce congestion, improve the traveler experience and safety. Connected corridors will constitute a new standard of quality and safety for Cintra's assets and will maximize their functionality as vehicles continue to evolve towards total autonomy and, above all, in the transition period in which autonomous, connected and conventional vehicles will coexist in the same road space. Ferrovial manages technologically advanced assets that become the best scenario for developing these innovative solutions and thus continue to be at the forefront in the world of infrastructure. In 2022, several large-scale projects will be launched as part of the first horizons of the AIVIA program in the US.

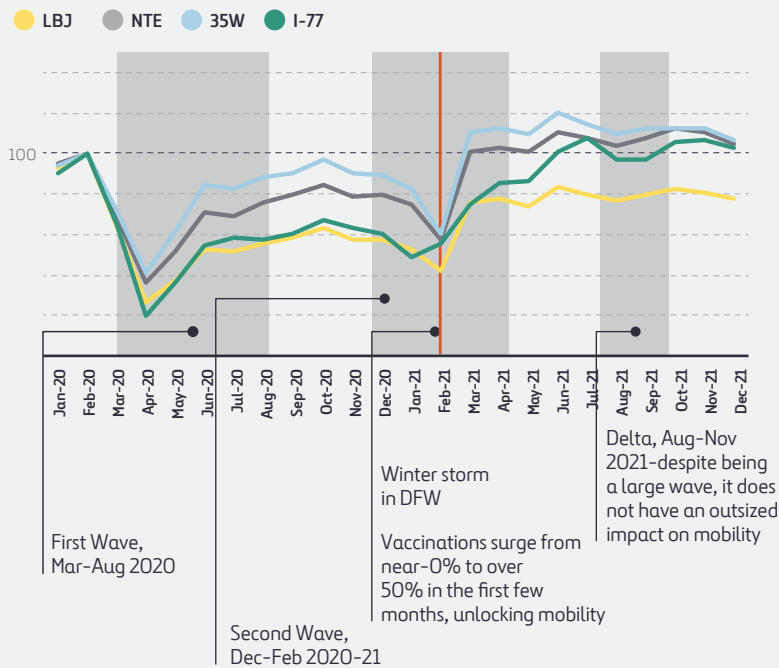
IRB and new markets

Cintra has identified an opportunity in the Indian toll road market by partnering with one of its leaders, IRB Infrastructure Developers Ltd. The company has acquired a minority stake of 24.86%, which will give it exposure to one of the largest toll road concession markets in the world over the next decade. Cintra has made a commitment to work together with IRB Infrastructure Developers Ltd through the signing of a collaboration agreement.

Traffic on MLs: The road of recovery

Traffic recovery on Managed Lanes (MLs) in Texas and North Carolina has been consistent during the two pandemic years. Its evolution has depended on mobility restrictions, vaccinations and new virus waves. The pandemic has changed behavioral patterns related to Work From Home (WFH) and e-commerce. MLs are equipped with dynamic pricing to guarantee a constant level of service and a minimum speed.

MANAGED LANE TRAFFIC INDEXED TO FEBRUARY 2020 = 100



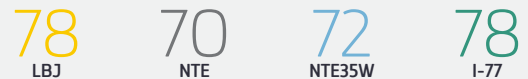
TRAFFIC (million transactions)

	2019	2020	2021	2021vs2019
LBJ	48.1	30.0	36.9	-23%
NTE	33.9	25.0	33.2	-2%
NTE 35W	32.7	28.0	35.5	9%
I-77	n/a	19.5	28.4	n/a

CONCESSIONS

	LBJ	NTE	NTE35W	I-77
Location	Dallas-Fort Worth	Dallas-Fort Worth	Dallas-Fort Worth	Charlotte
Consolidation	54.60%	62.97%	53.67%	65.1%
Extension	13.3 miles	13.1 miles	10.2 miles	25.9 miles
Period	2061 (52 years)	2061 (52 years)	2061 (48 years)	2069 (55 years)

USER EXPERIENCE (%)



- Faster, save time, less traffic
- Easy to use
- Well-maintained
- Safer

FIVE CONCLUSIONS

1

STRONG TRAFFIC RECOVERY POST-GENERALIZED ACCESS TO VACCINATIONS IN MARCH-APRIL

2

THE DELTA WAVE (AUGUST TO NOVEMBER) DID NOT HAVE AN OUTSIZED IMPACT ON TRAFFIC

3

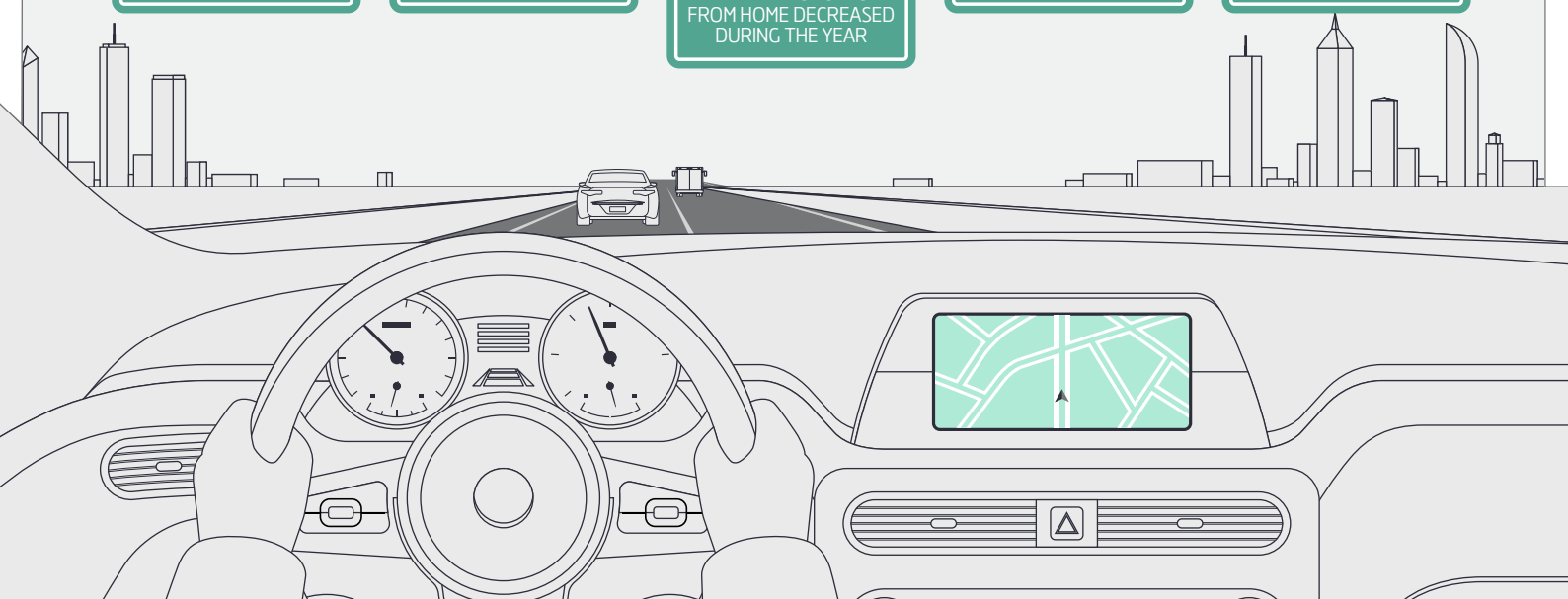
TRAFFIC RECOVERED IN OFF PEAK PERIODS, PM PEAKS AND WEEKENDS. CONTINUOUS BUT NOT FULL RECOVERY OF AM PEAK TRAFFIC AS WORK FROM HOME DECREASED DURING THE YEAR

4

TRUCKS PROVED RESILIENT ACROSS 2021, DRIVEN BY E-COMMERCE AND LOGISTICS GROWTH

5

WINTER STORMS IN TEXAS NEGATIVELY AFFECTED EARLY YEAR VOLUMES WITH A LIMITED IMPACT ON TOTAL ANNUAL TRAFFIC





AIRPORTS

On the take-off runway

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

The Airports division continues to seek opportunities and is developing the creation of a network of vertiports in the United States and the United Kingdom.

ASSETS

Heathrow and AGS

Heathrow and AGS were affected by the disruption of air traffic due to the COVID-19 expansion, resulting in an increase of travel restrictions along a full UK lockdown in January. Following the success of the vaccination campaigns and the reopening of borders, Heathrow and AGS have seen a continued increase in traffic from the second quarter onwards as mobility restrictions were lifted and entry requirements were simplified.

Heathrow has recorded a decline in traffic of 12% compared to 2020. However, the second half of the year saw traffic growth of 133%. To meet this demand, the airport has been operating with two runways since early Summer and Terminals 2, 3 and 5 have been fully operational. In addition, Heathrow has dedicated Terminal 4 exclusively to arrivals from countries on the Government's "red list".

AGS has also experienced a recovery in traffic by 6% compared to 2020, thanks to passenger levels recorded in the second half of the year, showing a substantial improvement of 160% compared to 2020. Aberdeen Airport traffic has shown greater resilience to COVID-19 than other airports in the country due to Oil & Gas sector related passengers.

Vertiports

The electric vertical take-off and landing (eVTOL) aircraft will connect regions in a more sustainable and comfortable way. Vertiports are a key element in the advancement of eVTOL aviation, as they provide the landing, recharge and take-off infrastructure necessary for its operation.

In January 2021, Ferrovial Airports announced the signing of a framework agreement with Lilium, an eVTOL developer, for the creation of a network of more than 10 vertiports in the United States. These infrastructures and associated services will cover strategic areas in the main cities of Florida, offering a new alternative and emission-free transportation network.

Ferrovial Airports announced in November that it plans to deploy a network of more than 25 airports in the United Kingdom. To this end, it has signed collaboration agreements with Lilium and Vertical Aerospace, which will facilitate a quick and pragmatic deployment plan.

COP26 2021 took place between October 31 and November 12 in Glasgow, United Kingdom. Glasgow was chosen as the host city for its commitment to sustainability and its first-class facilities. Glasgow Airport participated in the activities that took place during the event,

with an exhibition area of different sustainability initiatives in the world of aviation and other events, where the project to deploy a network of vertiports in the United Kingdom was announced.

VALUE CREATION

Operational efficiency and response to COVID-19

Ensuring health and safety remains Ferrovial Airports' top priority. Heathrow and AGS have put in place health measures to ensure safety and build confidence in air travel, including COVID-19 diagnostic testing centers. In the case of Heathrow, its offices have been converted into a vaccination center and Terminal 4 is dedicated exclusively to arrivals from "red list" countries.

Aberdeen and Glasgow airports have been audited and recognized by the Council Aviation Recovery Task Force Covid-secure guidance for their high safety standards, established by the International Civil Aviation Organization (ICAO). Heathrow was certified with four COVID-19 stars by Skytrax, the highest rating for UK airports.

The measures taken to protect the business contribute to making them more resilient and efficient airports. Since the pandemic began, determined and swift action has been taken to reduce costs through organizational changes, contract renegotiations with suppliers and the government's temporary layoff plan, among others. Similarly, capital investment plans remain contained, focusing on projects to ensure the safety and resilience of the airports.

Heathrow was recognized by the Skytrax World Airport Awards as "Best Airport for 20 to 25 million passengers", "Best Airport in Western Europe" and for its "Airport Excellence COVID-19".

Sustainability

Ferrovial's airports maintain their uninterrupted commitment to sustainability in 2021 in ESG matters. Decarbonization of the aviation sector continues to be a priority of the sustainable growth plan, with the use of a critical element such as the SAF (Sustainable Aviation Fuel). In September a flight using SAF flew from Heathrow to Glasgow, and British Airways made its first flight to the US using 35% SAF in November (the highest level used on a transatlantic flight to date).

AGS launched its new sustainability strategy with a roadmap to achieve net zero emissions by mid-2030s, having achieved carbon neutrality by 2020. The strategy is integrated into the United Nations Sustainable Development Goals and focuses on social progress, economic growth and environmental protection as its main pillars.

Once again, the efforts made by AGS have been recognized by the international organization Global Real Estate Sustainability Benchmark (GRESB), as Southampton, Aberdeen and Glasgow have been ranked first, second and third in the UK Transport category: Airport Companies.

Innovation

The main innovation projects developed by Ferrovial Airports in 2021 included:

- The development of Ferrovial Airports Sustainability Index©, a unique tool in the sector that characterizes the degree of sustainability of an airport in ESG areas. The index contains 400 indicators classified into 19 areas and is based on the most prominent international sustainability indexes, such as the Dow Jones Sustainability Index.
- The deployment of a digital twin at Aberdeen Airport to optimize aircraft rotations at parking stands. This solution will enable more accurate estimation of process times, real-time recalculation of gate planning and simulation of future scenarios.

Key regulatory developments at Heathrow

On October 19, 2021, Heathrow received initial proposals from the Civil Aviation Authority (CAA) for the H7 regulatory period. Heathrow formally responded to the initial proposals and submitted its second Revised Business Plan (RBP) update in mid-December 2021 (Heathrow submitted the RBP in December 2020 and a first update in June 2021). This second update will ensure that the CAA has the most up-to-date information in preparation for its final proposals, which it plans to publish in the first half of 2022.

In addition, on December 22 the CAA published an interim price cap for 2022 of £30.19 (2022 CPI). This will be the price cap until the CAA's final decision on H7 is published.

Vertiports: the Future is Here

Mobility is undergoing a revolution. The eVTOL (electric Vertical Take-Off and Landing) is the vehicle. Ferrovial leads the development of vertiports networks. It designs, builds and operates them. The United States, United Kingdom and Spain are the original markets. Florida is the first appointment. Sustainability is the key.

THE VEHICLE

eVTOLs are a means of high-speed regional transport. They are all-electric, low-noise, safe, zero-emission vertical take-off and landing aircraft. We work with the main eVTOL manufacturers and operators in all geographies



280 km/h
maximum speed
250 km
maximum range

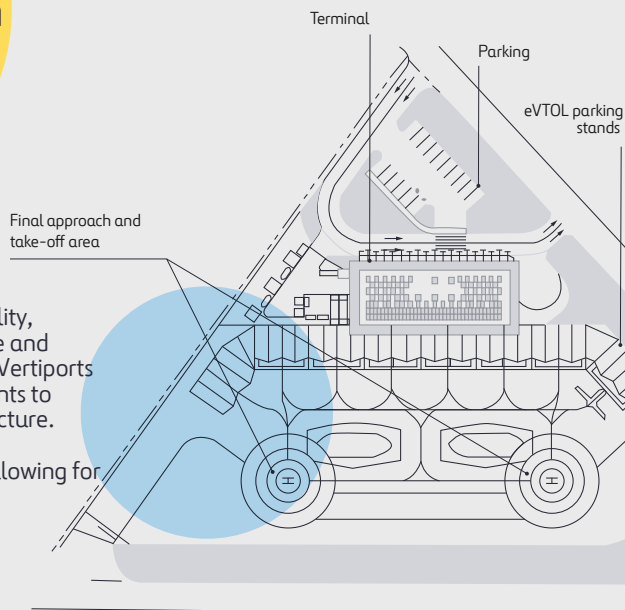
CO₂ emissions



THE INFRASTRUCTURE

Vertiports are key to Urban Air Mobility, facilitating the movement of people and goods more quickly and efficiently. Vertiports will use sunlight and natural elements to create an energy-efficient infrastructure. External energy will come from environmentally friendly sources, allowing for zero carbon emissions

Final approach and take-off area



INITIAL MARKETS

Ferrovial leads the way in vertiports worldwide. The company has three regions in operation:

FLORIDA

10

projected vertiports
Palm Beach is the pioneer

UNITED KINGDOM

25

projected vertiports

SPAIN

20

projected vertiports



THE ADVANTAGES

- Perfect for densely populated urban areas
- Low noise
- Zero emissions
- Time savings
- Improve connectivity
- Promotes economic growth
- Facilitates access to industry, culture and nature

PARTNERS

Ferrovial has a network of collaborators:





CONSTRUCTION

Green foundations

Ferrovial Construction is the business unit that carries out civil engineering construction, building, water treatment plants and industrial projects. It is key to achieving the business strategy set out in the Horizon 24 Plan.

As part of its commitment to the energy transition, the company has recently created the Energy Solutions division, focused on the execution of power transmission lines, energy efficiency and renewable energy projects, having already been awarded some significant projects, such as a 50MW photovoltaic park in Gerena (Spain). The integration of SIEMSA in Construction reinforces this commitment and aims to strengthen its presence in the market for engineering, construction, installation and maintenance services for equipment in the energy sector.

BACKGROUND

In 2021, Construction maintained the positive revenue and profitability trend, with insignificant impact from COVID-19, although inflationary pressures have been observed in the prices of materials and labor, as well as supply problems, which despite the mitigating factors and management measures implemented, have increased production costs. This health and social crisis has prompted a response from the public sector with the approval of, among others, the European Next Generation funds, which are expected to reactivate the Spanish economy, and the new Infrastructure Investment and Jobs Act plan in the USA, which will double federal funds for investment in transport infrastructure. It is worth mentioning the divestments made in non-core businesses, such as Budimex's real estate business, Budimex Nieruchomości, Webber's aggregates recycling activity, Southern Crushed Concrete, the stakes in the Prisiones Figueras and URBICSA concessions, and in Nalanda, a digital platform for document management.

The outlook in **Poland** remains positive in the medium term, supported both by the national investment plans for roads and railways up to 2025-26, where the company expects to maintain its leadership, and by the tenders for waste treatment, renewable energy and water projects.

In **Spain**, in addition to the positive trend in public initiatives in transport infrastructure, a medium-term boost in bidding is expected due to the Next Generation funds, Ferrovial Construction has created a department to maximize opportunities for refurbishment and energy efficiency in building projects as well as logistics and industrial parks.

In the **USA**, it is noteworthy the approval of the new federal infrastructure plan, which will support the growing investment initiative of the states, providing new funds not only for transport infrastructure but also for water, electricity transmission projects or climate change mitigation actions. It should also be noted the integration of the infrastructure maintenance activity into Webber, which previously belonged to Services. In Texas, pipeline growth in both highway and water treatment projects is expected through 2022.

VALUE CREATION

Construction is a key activity in Ferrovial's strategy and continues with its firm commitment to implement initiatives in innovation and technology

to minimize its environmental footprint, generate a positive impact on society and minimize risks for users and workers. In addition to its intrinsic profitability and cash generation capacity, it adds value by coordinating the design and construction of infrastructure concessions in which other Ferrovial investment divisions participate.

Portfolio diversification and selective internationalization

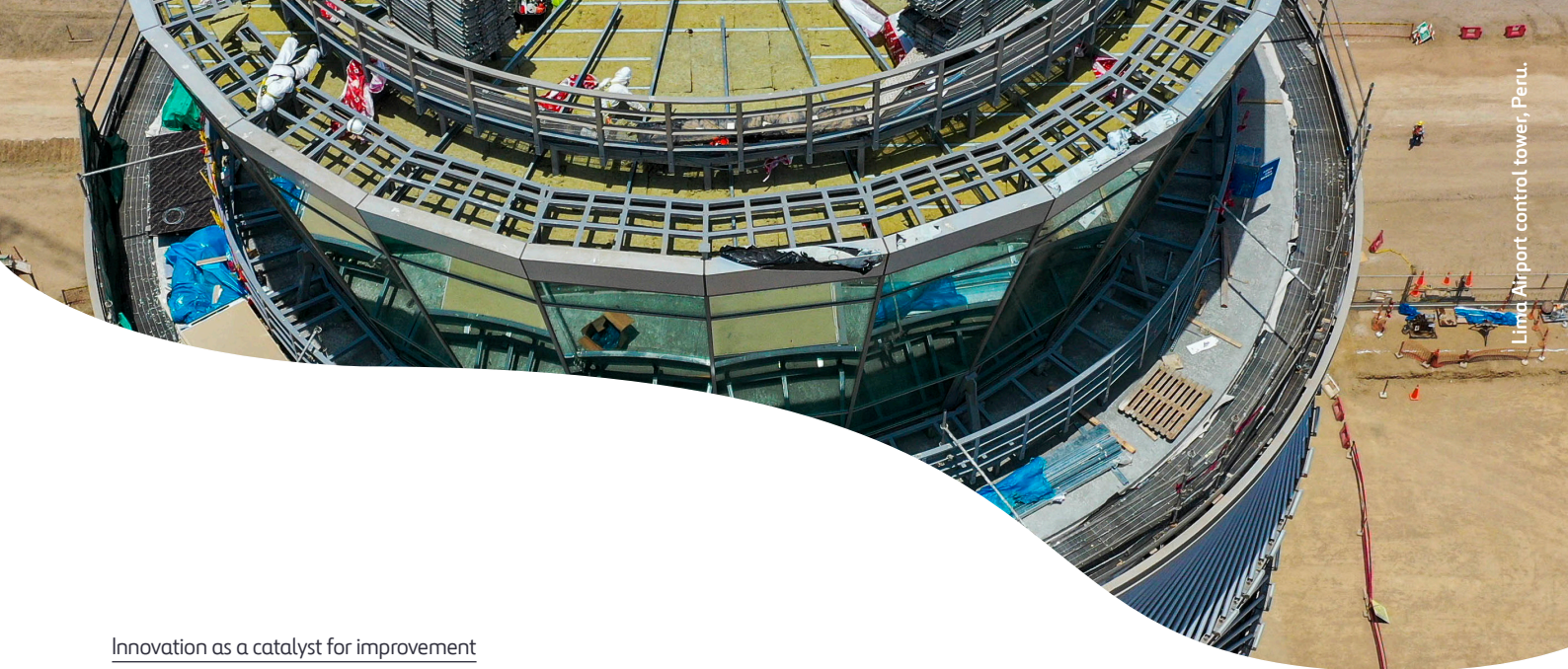
Sector diversification allows Ferrovial to maintain the technical qualifications and ensure that the material and human resources at Ferrovial Construction are constantly prepared. With this diversification and complexity in mind, it is worth mentioning the award of a new section of the Sydney Metro in 2021, including two 11 kilometer tunnels and 5 stations, 1,000 new jobs will be created, as well as 500 training positions for the local community.

Internationally, the focus remains on the USA and Polish markets, which represent approximately 70% of total sales. Other countries with a stable presence include the United Kingdom, Chile, Australia and Canada, in addition to Spain as a market of origin. It should be noted the award in consortium between Ferrovial Construction US and Webber of the project for the design and construction of the I-35 in San Antonio, Texas (USA), a new success of the business model in this country, which has enabled the execution of five design and construction projects in Texas for a total value of 6,000 million dollars in recent years.

Commitment to society: environment, quality and safety

The Construction division undertakes its operations under strict criteria that minimize its environmental impact. Its approach to projects includes the identification of environmental risks through individual management plans, the efficient use of energy by promoting self-consumption and electric solutions in its fleet of machinery and vehicles, and the promotion of the circular economy through the recycling of construction waste, such as the reuse of earth. The aim is to control the carbon footprint and achieving emission neutrality by 2050. Good examples are the I-66 in Virginia (USA), whose route design reduces impacts on wetlands and streams by 80% compared to the alternative proposed by the Administration, or the environmental measures of the D4R7 highway (Slovakia), which have made it possible to recover the biodiversity and habitats of the Danube while improving traffic in the Slovakian capital. Construction commitment in this area is evidenced by its recognition with the Gold CSR Accreditation Award in the United Kingdom and Ireland for its excellence in social commitment and performance.

In terms of safety, Construction has reduced its frequency rates in 2021 by -12% compared to 2020 and by -57% in the last ten years thanks to the active commitment of all its employees, the identification and preventive observation of high potential situations, and the continuous training of employees with critical roles.



Lima Airport control tower, Peru.

Innovation as a catalyst for improvement

Ferrovial Construction remains strongly committed to R&D and innovation and the digital transformation, as demonstrated by the achievement of SGS Certification at global level for BIM (Building Information Modeling) methodology, being the first construction company to achieve it. The Construction division continues with the implementation of the Abacus Project, highlighting the technological transformation plan, aimed at improving productivity and process control, and includes the digitization of processes, the implementation of advanced data analytics and technologies such as 5G or IoT, which allow, among others, to respond to the challenges of environmental management, health and safety.

Employees: talent management

Ferrovial Construction is committed to the wellbeing and continuous development of its employees. In 2021, its employees received various awards, such as the prizes for two female engineers at the European Women in Construction and Engineering Awards, or the 40 Under 40: Champions of Construction award, for the professional under 40 who has made a difference in the sector.

INNOVATION FOR INFRASTRUCTURE TRANSFORMATION

Some of the most important innovation projects developed in 2021 include:

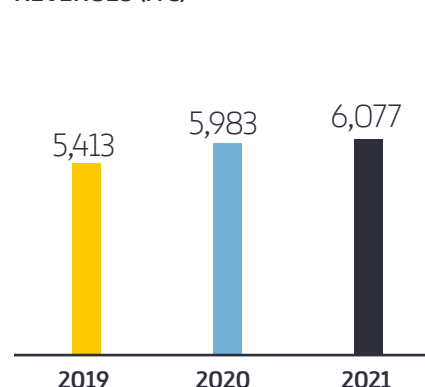
- CENTELLA, a dynamic testing procedure using virtual models for the structural validation of high-voltage towers, which reduces the cost and environmental impact in their execution.

- APOLODORO and SMARTFORMWORK, intelligent multisensor systems to determine the stress and pressure effects of concrete in bridges and tunnels, with the aim of optimizing the construction process and increasing the safety of construction sites.
- INNOVATION INTELLIGENCE, observatory of the external innovation ecosystem for the management of partnerships with academic institutions such as the MIT (Massachusetts Institute of Technology) and engagement with startups and their research into new construction techniques and solutions.

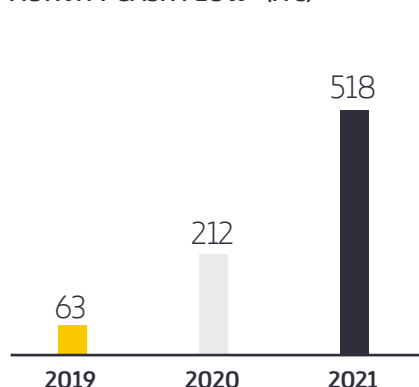
CIVIS Tool for measuring environmental impact

CIVIS is an innovative tool developed internally, which has been used in several projects in the United States, Colombia and Peru. Based on the main measurements of the project, it allows the quantitative assessment of different impact indicators throughout its life cycle, and thus evaluate in environmental terms the most sustainable design and construction alternatives. The indicators analyzed correspond to emissions (CO₂, SO₂, NOX, particulates and Hg) and consumption (coal, fuel oil, diesel and natural gas). In addition, the impact in terms of climate change is measured, which makes it possible to estimate the carbon footprint generated in the design, construction, maintenance, use and operation of the project.

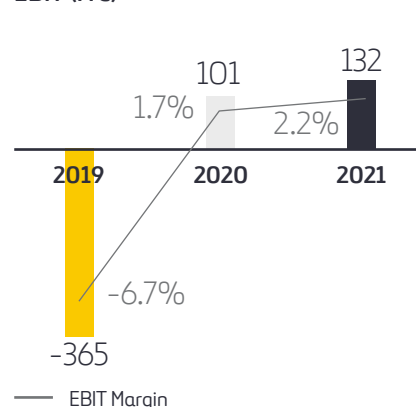
REVENUES (M€)



ACTIVITY CASH FLOW* (M€)



EBIT (M€)



*excluding company Tax

ENERGY INFRASTRUCTURE AND MOBILITY

Sustainable business

Ferrovial has created the Energy Infrastructure and Mobility business unit to promote and develop new sustainable business opportunities and coordinate existing initiatives.

PHOTOVOLTAIC
SOLAR ENERGY

50

MWp under construction

TRANSMISSION
LINES

456

Kilometers in construction and operation

ZITY

1,250

100% electric vehicles

The company is committed to the search for business opportunities beyond its traditional activities, focusing on projects where it can provide a differential value, responding to the changing habits of the urban population.

ASSETS

In Mobility, Ferrovial has a 50% stake in Zity, an electric carsharing service, in collaboration with Renault and operating in Madrid and Paris, as well as a minority stake in MaaS Global, a leading mobility platform company in Europe. Zity has a fleet of 1,250 fully electric vehicles recharged with electricity from renewable sources. At the end of the year, Ferrovial acquired a minority stake in Inspiration Mobility, a US company whose business consists of investing in electric vehicle-related assets in the US, including the vehicles themselves, as well as associated charging infrastructure.

In Energy Infrastructure, Ferrovial has a transmission line in operation in Chile which was acquired in 2016, and two other assets under construction: the Centella project, also in Chile, and a 50 MWp photovoltaic plant in southern Spain.

The teams of these projects have been integrated into the new business unit, also incorporating other senior professionals with relevant experience in the sector, as well as Ferrovial managers.

STRATEGY

The strategic guidelines in Mobility and Energy Infrastructure share similarities. Ferrovial aims to be a preferred industrial partner, able to leverage its experience and add value in the development, financing, construction, operation and rotation of assets, taking advantage of business opportunities while maintaining a risk-benefit balance similar to the other business units. Likewise, through internal resources and participation in technological and industrial ecosystems, the aim is to anticipate rapid changes in the environment and promote and invest in technologies with opportunities for growth, as well as the application of innovation for the development of new profitable business models.

The activity will focus on Ferrovial's preferred geographies, especially the USA, Spain, Chile and Poland, and will become an active part of the company's ESG strategy, promoting the fight against climate change and decarbonization, always in line with the Horizon 24 Strategic Plan.

POTENTIAL BUSINESS EVOLUTION

The future of mobility and energy infrastructures depends to a large extent on four rapidly evolving trends:

- National, regional and local regulation on economic incentives or disincentives to CO₂ production, use of public spaces, planning regulation and rights to energy assets, etc.
- Social changes driven by growing awareness of climate change and the shift in individual preferences to more personalized services. This trend has been accelerated by the COVID-19 pandemic.
- Variations in asset costs due to technological advancement that have been disrupted by rising inflation, shortages of certain components and logistical stresses.
- New products, services and business models fostered by technological and process innovation.

Despite the unpredictability of the evolution of these four issues, there is a certainty of growing electrification and a different concept of personal mobility, especially in cities.

Electricity self-supply in Spain and Portugal

Ferrovial, in its efforts to expand into new business models more respectful of the environment, has reached an agreement with InfraRed Capital Partners to acquire 100% of the capital of the company that owns the permits, licenses and authorizations required to build and operate a 50 MWp photovoltaic plant in Gerena, Seville (Spain).

The contract includes the installation of more than 90,000 bifacial photovoltaic modules on single-axis trackers, which, together with its location in an area of high solar radiation, will enable the plant to inject an estimated production of 105 GWh/year of electricity (2,104 MWh/MWp) into the grid, equivalent to the consumption of approximately 26,000 homes. The installation will also contribute to avoiding the emission of more than 46,000 tons of CO₂ per year.

The project, which is being carried out by Ferrovial Construction Energy, will be commissioned in early 2023 and will generate around 260 direct jobs.

Most of the plant's electricity production will be used for Ferrovial's electricity consumption, which, in this regard, is progressing towards the achievement of its sustainability and decarbonization targets, which include 100% of the group's electricity consumption coming from renewable sources by 2025.



DemoSATH floating offshore wind platform, Bilbao, Spain.