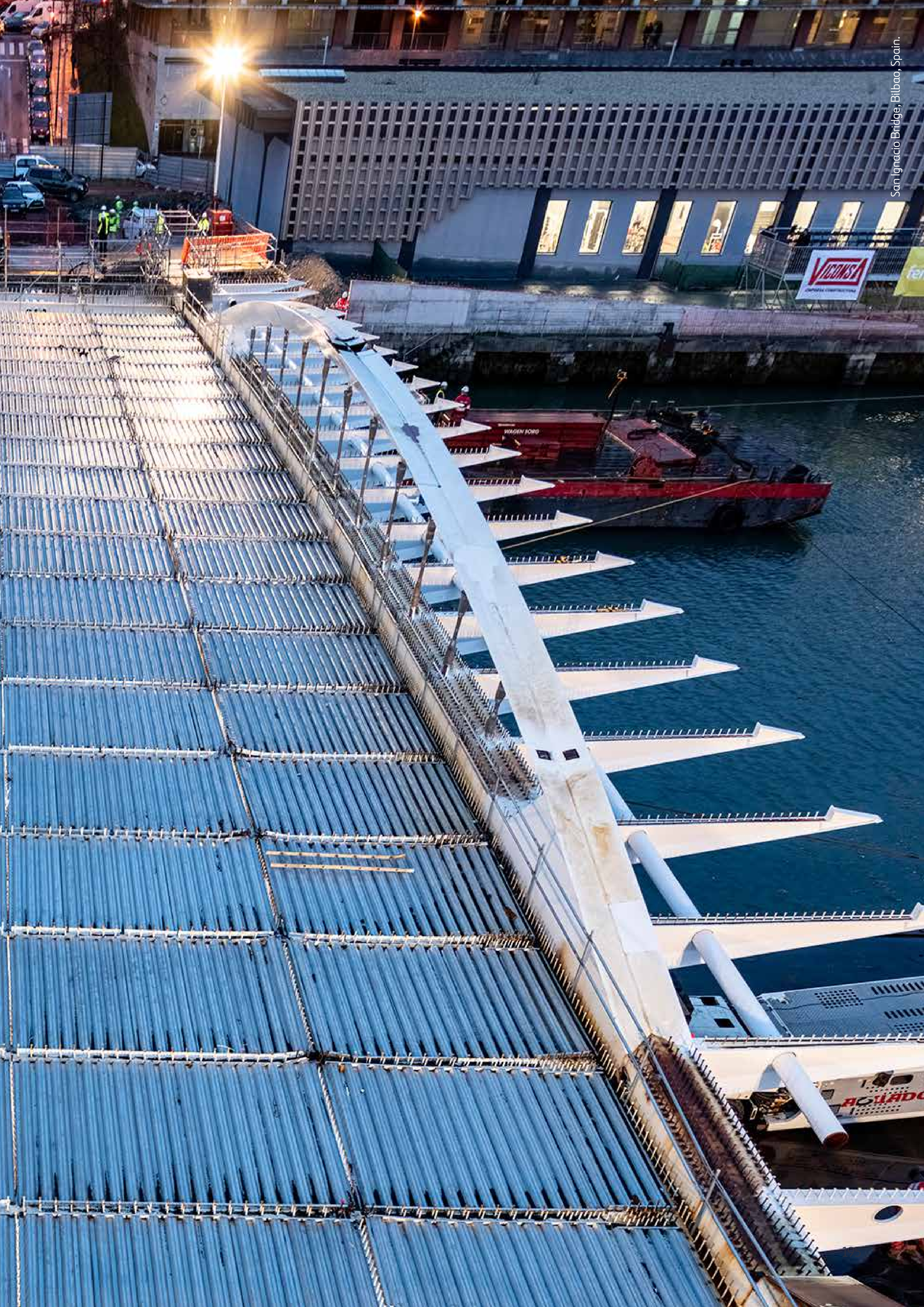

# Consolidated Financial Statements

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# A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR 2021 AND 2020

| Assets (Millions of euros) | Note | 2021 | 2020 (*) |
|---|---|---|---|
| **Non-current assets** | | **15,794** | **10,814** |
| Goodwill on consolidation | 3.1 | 420 | 220 |
| Intangible assets | 3.2 | 126 | 96 |
| Fixed assets in infrastructure projects | 3.3 | 11,185 | 6,356 |
| Intangible asset model | | 11,016 | 6,189 |
| Financial asset model | | 169 | 167 |
| Investment property | | 0 | 2 |
| Property, plant and equipment | 3.4 | 348 | 341 |
| Right of use | 3.7 | 156 | 137 |
| Investments in associates | 3.5 | 1,838 | 1,727 |
| Non-current financial assets | 3.6 | 879 | 856 |
| Loans granted to associates | | 227 | 163 |
| Restricted cash in infrastructure projects and other financial assets | 5.2 | 579 | 654 |
| Other receivables | | 73 | 39 |
| Deferred taxes | 2.8 | 549 | 604 |
| Long-term financial derivatives at fair value | 5.5 | 293 | 475 |
| **Current assets** | | **9,102** | **12,277** |
| Assets classified as held for sale and discontinued operations | 1.1.3 | 1,761 | 3,502 |
| Inventories | 4.1 | 405 | 699 |
| Current income tax assets | | 78 | 111 |
| Short-term trade and other receivables | 4.2 | 1,317 | 1,367 |
| Trade receivables for sales and services | | 1,045 | 1,019 |
| Other short-term receivables | | 272 | 348 |
| Other short-term financial assets | | 11 | 0 |
| Cash and cash equivalents | 5.2 | 5,515 | 6,526 |
| Infrastructure project companies | | 207 | 148 |
| Restricted cash | | 47 | 33 |
| Other cash and cash equivalents | | 160 | 115 |
| Ex-infrastructure project companies | | 5,308 | 6,378 |
| Short term financial derivatives at fair value | 5.5 | 15 | 72 |
| **TOTAL ASSETS** | | **24,896** | **23,091** |

| Liabilities and equity (millions of euros) | Note | 2021 | 2020 (*) |
|---|---|---|---|
| **Equity** | 5.1 | **5,839** | **3,790** |
| Equity attributable to shareholders | | 4,048 | 3,150 |
| Equity attributable to non-controlling interests | | 1,791 | 640 |
| **Deferred income** | 6.1 | **1,402** | **1,285** |
| **Non-current liabilities** | | **11,078** | **9,584** |
| Pension plan deficit | 6.2 | 3 | 4 |
| Long-term provisions | 6.3 | 421 | 442 |
| Long-term lease liabilities | 3.7 | 108 | 93 |
| Borrowings | 5.2 | 9,512 | 8,084 |
| Debentures and debts of infrastructure project companies | | 7,362 | 5,192 |
| Debt securities and payables of ex-infrastructure project companies | | 2,150 | 2,892 |
| Other payables | 6.4 | 69 | 63 |
| Deferred taxes | 2.8 | 670 | 451 |
| Financial derivatives at fair value | 5.5 | 295 | 447 |
| **Current liabilities** | | **6,577** | **8,435** |
| Liabilities classified as held for sale and discontinued operations | 1.1.3 | 1,478 | 2,476 |
| Short-term lease liabilities | 3.7 | 51 | 69 |
| Borrowings | 5.2 | 1,074 | 1,678 |
| Debentures and debts of infrastructure project companies | | 47 | 48 |
| Bank borrowings of ex-infrastructure project companies | | 1,027 | 1,630 |
| Financial derivatives at fair value | 5.5 | 110 | 52 |
| Current income tax liabilities | | 69 | 94 |
| Short-term trade and other payables | 4.3 | 2,793 | 3,115 |
| Trade payables | | 1,535 | 1,445 |
| Advance payments from customers and work certified in advance | | 885 | 1,350 |
| Other short-term payables | | 373 | 320 |
| Trade provisions | 6.3 | 1,002 | 952 |
| **TOTAL LIABILITIES AND EQUITY** | | **24,896** | **23,091** |

The accompanying Notes 1.1 to 6.12 form an integral part of the consolidated statement of financial position for 2021 and 2020.

# B. CONSOLIDATED INCOME STATEMENT FOR 2021 AND 2020

| Income statement (millions of euros) | Note | 2021 Before fair value adjustments | 2021 Fair value adjustments (*) | Total 2021 | 2020 (***) Before fair value adjustments | 2020 (***) Fair value adjustments (*) | Total 2020 |
|---|---|---|---|---|---|---|---|
| Revenue | | 6,778 | 0 | 6,778 | 6,532 | 0 | 6,532 |
| Other operating income | | 1 | 0 | 1 | 2 | 0 | 2 |
| **TOTAL OPERATING INCOME** | 2.1 | **6,779** | **0** | **6,779** | **6,534** | **0** | **6,534** |
| Materials consumed | | 1,077 | 0 | 1,077 | 990 | 0 | 990 |
| Other operating expenses | 2.2 | 3,896 | 1 | 3,897 | 3,926 | 0 | 3,926 |
| Staff costs | 2.3 | 1,209 | 0 | 1,209 | 1,212 | 0 | 1,212 |
| **TOTAL OPERATING EXPENSES** | | **6,182** | **1** | **6,183** | **6,128** | **0** | **6,128** |
| **EBITDA** | 2.4 | **597** | **-1** | **596** | **406** | **0** | **406** |
| Fixed asset depreciation | | 259 | 0 | 259 | 233 | 0 | 233 |
| **Operating profit/(loss) before impairment and disposal of fixed assets** | 2.4 | **338** | **-1** | **337** | **173** | **0** | **173** |
| Impairment and disposal of fixed assets (**) | 2.5 | 38 | 1,101 | 1,139 | 1 | 15 | 16 |
| **Operating profit/(loss)** | | **376** | **1,100** | **1,476** | **174** | **15** | **189** |
| Net financial income/(expense) from financing | | -220 | 0 | -220 | -244 | 0 | -244 |
| Profit/(loss) on derivatives and other net financial income/(expense) | | -4 | -84 | -87 | -2 | 39 | 37 |
| **Net financial income/(expense) from infrastructure projects** | | **-224** | **-84** | **-307** | **-246** | **39** | **-207** |
| Net financial income/(expense) from financing | | -26 | 0 | -26 | -8 | 0 | -8 |
| Profit/(loss) on derivatives and other net financial income/(expense) | | -1 | 1 | -1 | -33 | 5 | -28 |
| **Net financial income/(expense), ex-infrastructure projects** | | **-27** | **1** | **-27** | **-41** | **5** | **-36** |
| **Net financial income/(expense)** | 2.6 | **-251** | **-83** | **-334** | **-287** | **44** | **-243** |
| Share of profits of equity-accounted companies | 2.7 | -174 | -3 | -178 | -323 | -50 | -373 |
| **Consolidated profit/(loss) before tax** | | **-49** | **1,014** | **964** | **-436** | **9** | **-427** |
| Corporate income tax | 2.8 | -12 | 21 | 10 | 48 | -13 | 34 |
| **Consolidated profit/(loss) from continuing operations** | | **-61** | **1,035** | **974** | **-388** | **-4** | **-393** |
| Profit/(loss) from discontinued operations | | 361 | 0 | 361 | 19 | 0 | 20 |
| **Consolidated profit/(loss) for the year** | | **300** | **1,035** | **1,335** | **-369** | **-4** | **-373** |
| Profit/(loss) for the year attributed to non-controlling interests | 2.10 | -153 | 15 | -138 | -42 | -9 | -51 |
| **Profit/(loss) for the year attributed to the parent company** | | **147** | **1,050** | **1,197** | **-411** | **-13** | **-424** |
| Net earnings per share attributed to the parent company (in euros) | 2.11 | | Basic | 1.62 | | Basic | -0.59 |
| | | | Diluted | 1.62 | | Diluted | -0.59 |

(*) 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).

(**) "Impairment and fixed asset disposals" primarily include asset impairment and the gains or losses on the sale and disposal of investments in Group companies and associates. When such disposals result in a loss of control, the gain arising from the recognition of the ownership interest at fair value is presented in the fair value adjustments column.

(***) Restated figures (Note 1.1.5)

The accompanying Notes 1.1 to 6.12 form an integral part of the consolidated income statement for 2021 and 2020.

# C. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR 2021 AND 2020

| | (Millions of euros) | Note | 2021 | 2020 (**) |
|---|---|---|---|---|
| a) | **Total consolidated profit/(loss) for the year** | | **1,335** | **-373** |
| | Attributed to the parent company | | 1,197 | -424 |
| | Attributed to non-controlling interests | | 138 | 51 |
| b) | **Income and expense recognized directly in equity** | 5.1 | **180** | **-399** |
| | Fully consolidated companies | | 132 | -225 |
| | Impact on hedge reserves | 5.5 | 11 | -185 |
| | Impact on defined benefit plan reserves (*) | 6.2 | 0 | 0 |
| | Currency translation differences | | 115 | -88 |
| | Tax effect | | 6 | 48 |
| | Companies held for sale | | 27 | 10 |
| | Impact on hedge reserves | | 4 | 0 |
| | Impact on defined benefit plan reserves (*) | | 0 | 0 |
| | Currency translation differences | | 24 | 10 |
| | Tax effect | | -1 | 0 |
| | Equity-accounted companies | | 21 | -184 |
| | Impact on hedge reserves | | 45 | -28 |
| | Impact on defined benefit plan reserves (*) | | 33 | -38 |
| | Currency translation differences | | -32 | -132 |
| | Tax effect | | -25 | 14 |
| c) | **Transfers to income statement** | 5.1 | **1** | **46** |
| | Fully consolidated companies | | 12 | 0 |
| | Transfers to income statement | | 16 | 0 |
| | Tax effect | | -4 | 0 |
| | Companies held for sale | | 3 | 43 |
| | Transfers to income statement | | 4 | 53 |
| | Tax effect | | -1 | -10 |
| | Equity-accounted companies | | -14 | 3 |
| | Transfers to income statement | | -14 | 4 |
| | Tax effect | | 0 | -1 |
| a+b+c | **TOTAL COMPREHENSIVE INCOME** | | **1,516** | **-726** |
| | **Attributed to the parent company** | | **1,394** | **-725** |
| | Attributed to non-controlling interests | | 122 | -1 |

(*) 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)

The accompanying Notes 1.1 to 6.12 form an integral part of the consolidated statement of comprehensive income for 2021 and 2020.

# D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 2021 AND 2020

| (Millions of euros) | 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 |
| **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 | 1,197 | 1,197 | 138 | 1,335 |
| Income and expense recognized directly in equity | 0 | 0 | 0 | 0 | 196 | 0 | 196 | -16 | 180 |
| Transfers to income statement | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 1 |
| **Total recognized income and expenses during the year** | **0** | **0** | **0** | **0** | **197** | **1,197** | **1,394** | **121** | **1,515** |
| 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 | 1 | -3 |
| **Other transactions** | **0** | **0** | **0** | **0** | **0** | **-26** | **-26** | **29** | **3** |
| **Perpetual subordinated bond issues** | **0** | **0** | **0** | **1** | **0** | **-8** | **-7** | **0** | **-7** |
| **Scope changes** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **1,270** | **1,270** |
| **Balance at 31.12.2021** | **147** | **218** | **-124** | **507** | **-1,299** | **4,599** | **4,048** | **1,791** | **5,839** |

| (Millions of euros) | 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 31.12.19** | **147** | **995** | **-75** | **505** | **-1,195** | **3,928** | **4,305** | **783** | **5,088** |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Balance at 01.01.20** | **147** | **995** | **-75** | **505** | **-1,195** | **3,928** | **4,305** | **783** | **5,088** |
| Consolidated profit/(loss) for the year | 0 | 0 | 0 | 0 | 0 | -424 | -424 | 51 | -373 |
| Income and expense recognized directly in equity | 0 | 0 | 0 | 0 | -347 | 0 | -347 | -52 | -399 |
| Transfers to income statement | 0 | 0 | 0 | 0 | 46 | 0 | 46 | 0 | 46 |
| **Total recognized income and expenses during the year** | **0** | **0** | **0** | **0** | **-301** | **-424** | **-725** | **-1** | **-726** |
| Scrip dividend agreement | 3 | -92 | 0 | 0 | 0 | -29 | -119 | 0 | -119 |
| Other dividends | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -134 | -134 |
| Treasury share transactions | -3 | -256 | 62 | 0 | 0 | -62 | -258 | 0 | -258 |
| **Shareholder remuneration** | **0** | **-348** | **62** | **0** | **0** | **-91** | **-377** | **-134** | **-511** |
| Share capital increases/reductions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 15 |
| Share-based remuneration schemes | 0 | 0 | 0 | 0 | 0 | -9 | -9 | 0 | -9 |
| Other movements | 0 | 0 | 0 | 0 | 0 | -19 | -19 | 1 | -18 |
| **Other transactions** | **0** | **0** | **0** | **0** | **0** | **-28** | **-28** | **16** | **-12** |
| **Perpetual subordinated bond issues** | **0** | **0** | **0** | **1** | **0** | **-8** | **-7** | **0** | **-7** |
| **Scope changes** | **0** | **0** | **0** | **0** | **0** | **-18** | **-18** | **-24** | **-42** |
| **Balance at 31.12.2020 (*)** | **147** | **647** | **-13** | **506** | **-1,496** | **3,359** | **3,150** | **640** | **3,790** |

The accompanying Notes 1.1 to 6.12 form an integral part of the consolidated statement of changes in equity for 2021 and 2020.

(*) Restated figures (Note 1.1.5).

# E. CONSOLIDATED CASH FLOW STATEMENT FOR 2021 AND 2020

| (Millions of euros) | NOTE | 2021 | 2020 (*) |
|---|---|---|---|
| **Net profit/(loss) attributable to parent company** | | **1,197** | **-424** |
| Adjustments to profit/(loss) | | -255 | 1,011 |
| Non-controlling interests | | 138 | -51 |
| Net profit/(loss) from discontinued operations | | -361 | -19 |
| Tax | | -10 | -34 |
| Profit/(loss) from equity-accounted companies | | 178 | 373 |
| Net financial income/(expense) | | 334 | 243 |
| Impairment and disposal of fixed assets | | -1,139 | -15 |
| Depreciation/amortization | | 260 | 233 |
| EBITDA discontinued operations | 2.9 | 345 | 281 |
| **EBITDA including discontinued operations** | | **942** | **587** |
| Tax payments | | -155 | -101 |
| Change in working capital (receivables, payables and other) | 4.0 | -249 | 308 |
| Dividends from infrastructure project companies received | 3.5 | 272 | 299 |
| **Cash flows from operating activities** | | **810** | **1,093** |
| Investment in property, plant and equipment/intangible assets | | -124 | -116 |
| Investment in infrastructure projects | 3 | -239 | -128 |
| Loans granted to associates/acquisition of companies | | -923 | -152 |
| Interest received | 2.6 | 3 | 25 |
| Investment of long-term restricted cash | | 119 | 253 |
| Divestment of infrastructure projects | | 0 | 0 |
| Divestment/sale of companies | 1.1.4 | 1,621 | 501 |
| **Cash flows from investing activities** | | **457** | **383** |
| **Cash flows before financing activities** | 5.1 | **1,267** | **1,476** |
| Capital cash flows from non-controlling interests | | 57 | 19 |
| Scrip dividend | | -31 | -122 |
| Treasury share purchases | | -432 | -256 |
| Shareholder remuneration | | -463 | -378 |
| Dividends paid to non-controlling interests of investees | | -270 | -133 |
| Other movements in shareholder's funds | | 0 | -24 |
| **Cash flows from shareholders and non-controlling interests** | | **-676** | **-516** |
| Interest paid | 2.6 | -295 | -274 |
| Lease instalments | | -131 | -89 |
| Increase in borrowings | | 603 | 2,209 |
| Decrease in borrowings | | -1,671 | -804 |
| Net change in financial borrowing discontinued operations | | -51 | -96 |
| **Cash flows from financing activities** | | **-2,221** | **430** |
| **Effect of exchange rate on cash and cash equivalents** | | **99** | **-133** |
| **Change in cash and cash equivalents due to consolidation scope changes** | | **-109** | **-6** |
| **Change in cash and cash equivalents from discontinued operations** | **5.3** | **-47** | **24** |
| **Change in cash and cash equivalents** | **5.3** | **-1,011** | **1,791** |
| Cash and cash equivalents at beginning of year | | 6,526 | 4,735 |
| Cash and cash equivalents at year-end | | 5,515 | 6,526 |

The accompanying Notes 1.1 to 6.12 form an integral part of the consolidated cash flow statement for 2021 and 2020.

(*) Restated figures (Note 1.1.5)

# F. NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS FOR 2021

## SECTION 1: BASIS OF PRESENTATION AND CONSOLIDATION SCOPE

This section presents the information considered necessary to know prior to reading the Ferrovial consolidated financial statements.

### BASIS OF PRESENTATION AND NEW ACCOUNTING STANDARDS

The Ferrovial consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (hereinafter, IFRS) standards that apply within the European Union. The accounting policies applied are explained in Note 1.3 of this section.

**Company activities**

The disclosures presented in these financial statements include most notably those relating to the distinction between infrastructure project companies and non-infrastructure project companies (see Note 1.1.2 for a definition). 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).

**Discontinued operations**

As developed in more detail in note 1.1.3, in 2021 significant progress was made with the divestment of the Services Division, primarily in Spain, United Kingdom and United States. The assets and liabilities still owned by Ferrovial are still reported as discontinued operations.

These divestments included the sale, on 1 December 2021, of the environmental services business in Spain and Portugal to PreZero (a Schwarz Group company). The total price of the shares received by Ferrovial was EUR 1,032 million, a net capital gain of EUR 335 million at the consolidated level.

In addition, in November 2021, the US services business related to oil and gas industry infrastructure maintenance was sold.

Already in 2022, the sale of the infrastructure upkeep and maintenance business in Spain to Portobello Capital was completed, and an agreement has been signed for the sale of a small business area within the Amey business related to energy and water infrastructure maintenance services.

Within the Construction business, the sale of the real estate business in Poland carried out by Budimex through its subsidiary Budimex Nieruchomości, which had been classified as discontinued, was also closed in 2021.

Finally, certain contracts included in the Services Division that will not be divested have been reclassified to continuing operations. This reclassification has also implied the restatement of the 2020 information (see Notes 1.1.3 and 1.1.5).

**Consolidation scope changes**

Note 1.1.4 provides detailed information on the main changes in the scope of consolidation this year, mainly highlighting the acquisition of an additional 5.704% in the capital of the concession company I-66 Express Mobility Partners Hold. LLC (hereinafter I-66). This acquisition brings Ferrovial's total stake to 55.704%, which means that Ferrovial now holds the majority of the voting rights and therefore controls the company. This means that the company is now fully consolidated and Ferrovial's previous stake in the concession (50%) is valued at fair value, which has led to the recognition of a revaluation gain of 1,117 million euro.

In addition, on 29 December 2021, Ferrovial completed the acquisition of 24.86% of the Indian company IRB Infrastructure Developers Limited, by subscribing to a preference capital increase for 369 million euro. IRB is one of the leading companies dedicated to the development and subsequent operation of toll roads in India.

On 20 September 2021, Ferrovial acquired 100% of the assets of Parque Solar Casilla S.L.U., owner of the permits to build a 49.9 MWp photovoltaic solar plant in Gerena (Seville).

Finally, it is also worth highlighting the sale of the financial stake in the Portuguese motorway Norte Litoral, as well as several divestment operations carried out in the Construction Division, which are mentioned in Note 1.1.4.

**Impact of COVID-19**

Note 1.2 includes an analysis of the impact that the evolution of the pandemic has had on Ferrovial in 2021. The activities carried out by Construction and Services have hardly been affected by the pandemic during 2021, and it is also noteworthy that the recovery of traffic on the main toll roads on which Ferrovial operates has been very rapid since the various countries lifted restrictions during the year. On the other hand, the Airports business is experiencing the greatest difficulties, with a slower recovery due to the greater restrictions on air traffic, aggravated at the end of the year by the omicron variant.

**Judgements and estimates**

This section includes the main estimates made by Ferrovial when measuring its assets, liabilities, revenues, expenses and obligations (Note 1.2.4).

**Foreign exchange effect**

Although Ferrovial's functional currency is the euro, a significant part of its activities is carried out in countries outside the euro zone. Note 1.3 analyses the impact on the financial statements of changes in the main currencies of these countries.

### 1.1. BASIS OF PRESENTATION, COMPANY 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, to present fairly the Group's equity, financial position, results and cash flows. The regulatory framework consists of International Financial Reporting Standards (IFRS), as established by Regulation (EC) no. 1606/2002 of the European Parliament and of the Council dated 19 July 2002.

#### 1.1.2 Company activities

Ferrovial comprises the parent company, Ferrovial, S.A., incorporated in Spain and its subsidiaries, which are detailed in Appendix II. Its registered office is in Madrid, at Calle Príncipe de Vergara 135.

Through these companies, Ferrovial engages in the following three lines of business, which are its reporting segments pursuant to IFRS 8:

- Construction: Design and build of all manner of public and private works, including most notably the construction of public infrastructure.
- Toll roads: Development, financing and operating of toll roads.
- Airports: Development, financing and operating of airports, as well as integrated solutions.

Besides these three business lines, Ferrovial has interests in other businesses included in "Other activities" for segment reporting purposes, including the development of Energy Infrastructures (transmission lines and renewable energy generation plants), Mobility (through the ownership interest in Zity), Waste Treatment Plants in the UK Services Division and the other Services businesses that are still being divested, as explained in Note 1.1.3.

For a more detailed description of the various areas of activity in which the consolidated Group conducts its business operations, please consult the Group's website: www.ferrovial.com.

In order to better understand these financial statements, 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 cash flows from the project and with the shareholders' capital contributions, 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 is 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 consolidated financial statements separately detail the impact of projects of this nature in "fixed assets in infrastructure projects" (distinguishing between those to which the intangible asset model is applied and those to which the financial asset model is applied), in long-term financial assets and, mainly, in the net cash position and the cash flow disclosures, in which the cash flows called "ex-infrastructure projects", which combines the cash flows generated by the construction and services businesses, the dividends from the capital invested in infrastructure projects and investments in or divestments of the share capital of these projects, are presented separately from the cash flows of the infrastructure projects, which include the cash flows generated by the related concession operators. A list of the companies regarded as infrastructure project companies can be consulted in Appendix II.

It is also important to highlight that two of the Group's main assets are its 25% ownership interest in Heathrow Airport Holdings (HAH), the company that owns Heathrow Airport in London (UK), and its 43.23% ownership interest in 407 ETR, the concession operator of the 407 ETR toll road in Toronto (Canada), which are equity-accounted companies since 2011 and 2010, respectively. In order to provide detailed information on the two companies, Note 3.5, Investments in equity-accounted companies includes information relating to the changes in the two companies' balance sheets and income statements, and this is completed with information considered to be of interest in other Notes within the annual accounts.

Lastly, it should be noted that the Services business carried out by Budimex in Poland is included in the Construction segment.

#### 1.1.3. Assets and liabilities held for sale and discontinued operations

**Discontinued operations**

In 2021 significant progress was made with the divestment of the Services Division, primarily in Spain, United Kingdom and United States.

In November 2021, the agreement to sell the US services business related to oil and gas industry infrastructure maintenance was completed for a price of USD 16 million (EUR 14 million).

On 1 December 2021, the sale agreement reached between Ferrovial and PreZero (company of the Schwarz Group) on 26 July 2021 for the Environment Services business in Spain and Portugal was completed once all the conditions precedent had been fulfilled. The total price of the shares received by Ferrovial was EUR 1,032 million. This transaction generated a profit of EUR 335 million.

On 31 January 2022, the sale agreement between Ferrovial and Portobello Capital for the acquisition of the infrastructure conservation and maintenance business in Spain was completed, once all the conditions precedent to which the transaction was subject had been fulfilled. The total price of the shares received by Ferrovial was EUR 171 million. Pursuant to the provisions of the sale and purchase agreement, a subsidiary of Ferrovial acquired 24.99% of the share capital of the acquiring company for a price of EUR 17.5 million.

In February 2022, an agreement was reached to sell a small business area within the Amey business related to energy and water infrastructure maintenance services.

Additionally, as mentioned in Note 1.1.5, in 2021 the UK waste treatment business (reported in "Other activities"), the contract to maintain and operate the section of the A2 toll road and the contract to maintain and operate Madrid Calle 30 (reported in "Toll Roads"), together with the US infrastructure maintenance business and the energy efficiency services business (both reported in "Construction") were reclassified as continuing operations. This decision was taken following the progress of the divestment processes and considering that certain contracts included in the Services division could fit strategically in other divisions of the Group, facilitating the execution of the divestment processes. Thus, it has been decided to exclude these contracts from the scope of sale, and in accordance with the provisions of the accounting regulations, by including these activities as a continuing activity, the information for 2020 has been restated.

As regards the other activities and as stated in the Annual General Meeting held on 9 April 2021, at the date these financial statements are authorized for issue, the Group remains committed to selling the Services Division.

In this sense, the company is still actively working on its sale, it considers it highly probable that such divestment will take place, and its assets are in conditions for immediate sale, with different advisors' mandates in force and conversations with potential investors, the objective being to sell such assets at a price that is reasonable in accordance with their current market value.

Measurement of assets at fair value

In line with the legislation in force, the assets and liabilities of each of the units included under discontinued operations must be measured at the lower of its carrying amount or fair value.

Fair value has been determined taking account of information on the latest offers received.

With respect to the carrying amount, it is important to consider that results for the year do not include fixed asset depreciation charges, as indicated in the following section.

### Impact on the presentation of the financial statements

The reclassification of the Services division to discontinued operations had the following impacts on these financial statements:

- The profit/(loss) after tax generated by the Services business is not reported on each line of the income statement but on a single line named "Profit/(loss) from discontinued operations", in both 2021 and 2020 (Note 2.9). Pursuant to IFRS 5, this profit/(loss) does not include depreciation/amortization charged on the assets. This heading also includes the potential profit/(loss) of impairments incurred on the fair value adjustment to the assets, as well as the final profit/(loss) created at the moment of sale.
- For the purposes of the balance sheet, all assets and liabilities attributable to the Services business have been reclassified to "Assets/liabilities held for sale and discontinued operations".
- Note 6.5 on "Contingent assets and liabilities and investment commitments" includes information on discontinued operations.
- The following table details the different types of assets and liabilities that are classified as discontinued operations as of December 2021 and December 2020:

| **Services Division (millions of euros)** | **DEC. 2021** | **DEC. 2020 (*)** | **VAR.** |
|---|---|---|---|
| **Non-current assets** | **1,001** | **1,965** | **-964** |
| Goodwill | 117 | 678 | -561 |
| Intangible assets | 96 | 115 | -19 |
| Fixed assets in infrastructure projects | 66 | 251 | -185 |
| Property, plant and equipment | 86 | 315 | -230 |
| Right of use | 268 | 273 | -4 |
| Deferred taxes | 205 | 254 | -49 |
| Other non-current assets | 163 | 80 | 84 |
| **Current assets** | **732** | **1,351** | **-619** |
| Inventories | 14 | 18 | -4 |
| Short-term trade and other receivables | 537 | 1,022 | -485 |
| Cash and cash equivalents | 139 | 300 | -161 |
| Other current assets | 42 | 11 | 31 |
| **TOTAL assets classified as discontinued operations** | **1,733** | **3,316** | **-1,583** |

| **Services Division (millions of euros)** | **DEC. 2021** | **DEC. 2020 (*)** | **VAR.** |
|---|---|---|---|
| **Deferred income** | **0** | **2** | **-2** |
| **Non-current liabilities** | **338** | **838** | **-499** |
| Long-term provisions | 26 | 256 | -231 |
| Long-term lease liabilities | 94 | 111 | -17 |
| Borrowings | 52 | 161 | -110 |
| Deferred taxes | 148 | 227 | -79 |
| Other non-current liabilities | 19 | 82 | -63 |
| **Current liabilities** | **1,140** | **1,550** | **-411** |
| Short-term lease liabilities | 45 | 42 | 3 |
| Borrowings | 27 | 62 | -35 |
| Short-term trade and other payables | 880 | 1,153 | -273 |
| Trade provisions | 101 | 212 | -111 |
| Other current liabilities | 86 | 81 | 6 |
| **TOTAL liabilities classified as discontinued operations** | **1,478** | **2,390** | **-912** |

(*) Restated figures (Note 1.1.5)

The decrease in the balance sheet items in relation to 2020 is explained mainly by the sale of the Environment Services businesses in Spain and Portugal, and the oil and gas infrastructure maintenance business in the United States, completed at the end of the current financial year.

### Assets and liabilities held for sale

The net balance of assets and liabilities classified as held for sale as at December 2021 amount to EUR 28 million. This balance mainly comprises 20% of the equity-accounted Portuguese toll road Via do Infante.

The net balance of assets and liabilities held for sale stood at EUR 101 million at December 2020.

The decrease in relation to 2020 is explained by the 2021 sales of 20% of the Portuguese toll road Norte Litoral and the Group's shares in Concesionaria de Prisiones Figueras, S.A.U. and in Urbs Iudex Et Causidicus, S.A., as explained in Note 1.1.4.

Unlike the discontinued operations, results arising from held-for-sale assets are still reported on the corresponding income statement lines as they are not a business segment or activity.

The following table details the different types of assets and liabilities that are classified as held for sale at December 2021:

| Assets held for sale (Millions | DEC. 2021 | DEC. 2020 (*) | VAR. |
|---|---|---|---|
| Non-current assets | 28 | 170 | -142 |
| Fixed assets in infrastructure | 0 | 96 | -96 |
| Property, plant and equipment | 2 | | 2 |
| Investments in associates | 26 | 68 | -42 |
| Deferred taxes | 0 | 5 | -5 |
| Current assets | 0 | 16 | -16 |
| Short-term trade and other | 0 | 5 | -5 |
| Cash and cash equivalents | 0 | 11 | -11 |
| **TOTAL assets classified as** | **28** | **186** | **-158** |

| Liabilities held for sale | DEC. 2021 | DEC. 2020 (*) | VAR. |
|---|---|---|---|
| Non-current liabilities | 0 | 82 | -82 |
| Borrowings | 0 | 56 | -56 |
| Other payables | 0 | 8 | -8 |
| Financial derivatives at fair | 0 | 18 | -18 |
| Current liabilities | 0 | 3 | -3 |
| Borrowings | 0 | 2 | -2 |
| Current income tax liabilities | 0 | 1 | -1 |
| **TOTAL liabilities classified as** | **0** | **85** | **-85** |

(*) Restated figures (Note 1.1.5)

### 1.1.4. Consolidation scope changes and other disposals in investees

Below is a description of the most significant movements in the consolidation scope in 2021.

#### Toll roads

<u>I-66 acquisition and takeover</u>

Cintra, a Ferrovial subsidiary and the indirect owner of 50% of the concession operator I-66 Express Mobility Partners Hold. LLC (I-66), acquired an additional 5.704% ownership interest in that company for the sum of USD 182 million (approximately EUR 162 million) on 17 December 2021, by exercising its right of first refusal to the 10% interest put up for sale by one of the shareholders (John Laing), together with a commitment to inject additional capital until construction is finalized (EUR 36 million, approximately). The other two shareholders also exercised rights of first refusal. Payment was made in cash.

As a result, Ferrovial's total shareholding stands at 55.704% of the concession awarded by the Virginia Transport Department. It is a transformation project to design, build, finance, operate and maintain the 36-km I-66 toll road, construction of which is due for completion in December 2022, when the operating period will begin and run to 2066.

The acquisition of this additional ownership interest means that Ferrovial holds the majority of voting rights on the concession operator's Board and can therefore direct its relevant activities. Ferrovial now has control of the company pursuant to IFRS 10, paragraph 10. Consequently, the interest in the concession operator, which was equity-accounted based on significant influence, is now fully consolidated.

On taking control of the company and in accordance with IFRS 3.42, the equity-accounted interest (50%) was derecognized and measured at fair value, a capital gain being recorded in the amount of the difference.

Fair value was calculated by extrapolating the price offered by a third party to purchase 10% of the shares, which was accepted by the other shareholders owning shareholdings well below 5%. Therefore, although a 50% shareholding does not in itself give control, it assures an advantageous position justifying the addition of a control premium. The fair value of the prior 50% interest calculated as described amounts to EUR 1,448 million (USD 1,628 million), including the control premium, that represents an increase in value of 2% over the reference price of the transaction.

This valuation entailed recognizing a gain of EUR 1,101 million (USD 1,237 million) in the amount of the difference between the fair value of Ferrovial's pre-existing 50% ownership interest in the company (EUR 1,448 million) and its carrying amount (EUR 348 million), this gain has been recognized in "impairment and disposals of fixed assets".

Ferrovial had also recorded (positive) currency translation differences in reserves when this ownership interest was equity-accounted, amounting to EUR 16 million at the acquisition date. Pursuant to IFRS 3 and IAS 28, the gain accumulated in equity has been reclassified to the income statement under the heading non-current asset impairment and disposal, having a positive impact. Therefore, the total result of the operation reaches 1,117 million euros.

<u>Full consolidation of the concession operator and fair value measurement of its assets and liabilities</u>

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 stipulates that the acquiring company must recognize goodwill on the acquisition date, measured as the difference between (a) the sum of (i) the consideration paid, (ii) the amount of the non-controlling interest measured at fair value, and (iii) the amount of the acquiring party's prior equity interest in the target company, also measured at fair value; and (b) the net amount of identifiable assets acquired and liabilities assumed, also 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 measurement made by the company is therefore regarded as provisional.

The following table reflects the consolidated financial statements of the concession operator I-66 Express Mobility Partners Hold. before the acquisition, the fair value adjustments made and the resulting financial statements (for simplicity, the November balance sheet was used, since the effect of 17 days to the transaction date is immaterial, as indicated later on):

| Millions of EUR | DEC. 2021 | FAIR VALUE ADJUSTMENTS | CONSOLIDATED FINANCIAL STATEMENTS AT |
|---|---|---|---|
| **NON-CURRENT ASSETS** | **2,613** | **1,819** | **4,432** |
| Fixed assets in infrastructure projects | 2,613 | 1,819 | 4,432 |
| **CURRENT ASSETS** | **109** | **0** | **109** |
| Short term trade and other receivables | 108 | | 108 |
| Cash and cash equivalents | 1 | 0 | 1 |
| **TOTAL ASSETS** | **2,722** | **1,819** | **4,542** |
| **SHAREHOLDERS' FUNDS** | **696** | **2,201** | **2,897** |
| **Equity attributable to shareholders** | **679** | **934** | **1,614** |
| Share capital | 689 | 0 | 689 |
| Reserves | -25 | -166 | -192 |
| Measurement adjustments | 16 | -16 | 0 |
| Profit/(loss) for the year | 0 | 1,117 | 1,117 |
| **Equity attributable to non-controlling interests** | **16** | **1,267** | **1,283** |
| Deferred income | 65 | -65 | 0 |
| **NON-CURRENT LIABILITIES** | **1,844** | **-317** | **1,527** |
| Long-term borrowings | 1,844 | -317 | 1,527 |
| **CURRENT LIABILITIES** | **118** | **0** | **118** |
| Short-term borrowings | 27 | 0 | 27 |
| Trade and other payables | 90 | 0 | 90 |
| **TOTAL EQUITY AND LIABILITIES** | **2,722** | **1,819** | **4,542** |

The fair value adjustments made are briefly explained below:

a. Fixed assets in infrastructure projects: The fair value of this asset is obtained from the equity value corresponding to 100% of the company (2,897 million euros, including the control premium), calculated using the cash flows of the concession project discounted at a market rate of 9%. To this amount is added the financial debt valued at fair value, cash and working capital are deducted and the fair value of the intangible asset is obtained, amounting to 4,433 million euros.

b. Deferred grant income. This balance sheet item did not represent an actual liability for the company. Therefore, in accordance with IFRS 3, fair value is deemed to be zero and the amount has been adjusted (EUR 65 million).

c. Borrowings: The concession operator entered into two debt agreements in November 2018 in order to finance the toll road's construction: a senior loan comprising four fixed-rate listed bonds accruing quarterly interest payments and a subordinated loan obtained under the 1998 Transportation Infrastructure Finance and Innovation Act (TIFIA), which accrues interest of 2.8% per annum. The fair value of the bond debt was calculated based on the quoted price at the acquisition date. In the case of the TIFIA loans, the fair value was obtained by discounting flows. The resulting adjustment reduced the carrying amount of the debt by EUR 317 million.

d. The carrying amount of other assets and liabilities is equal to their fair value.

Tax effect of the transaction

The concession operator acquired is taxed under pass-through tax rules, meaning that deferred taxes are only recognized based on the percentage shareholding. The tax effects recognized by the parent company (Cintra 2 I66 Express Mobility Partners LLC) are as follows:

- Deferred tax liability due to measuring the debt at fair value: according to IAS 12, paragraphs 19 and 20, if a balance sheet item is recognized in a business combination at fair value when the tax value has not changed, deferred tax must be recorded in the amount of the difference (EUR -317 million reduction in the carrying amount x 21% (tax rate) x 55.704% (ownership interest in the concession) = EUR 37 million). The deferred tax will be taken to the income statement as per the debt repayment schedule.
- Deferred tax liability for the intangible asset and the grant: the fair value adjustment to the intangible asset amounts to EUR 1,820 million, giving rise to a deferred tax liability of EUR 212 million in the shareholder, replicating the calculation mentioned in the previous point. Another deferred tax liability of EUR 8 million is also recognized due to the derecognition of deferred income (grant). These taxes will be taken to the income statement as the asset is amortized.

The goodwill recognized on the acquisition amounts to EUR 254 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 contingent assets or liabilities have been recognized in connection with this business combination. As the acquisition took place very near to the year end and the costs incurred by the concession are capitalized during the construction phase, the impact of the transaction on the income statement would have been the same if the acquisition was done on 1 January 2021.

No goodwill was attributed to non-controlling interests and transaction costs were immaterial.

The following table shows the impact on the Group's consolidated balance sheet and income statement of the full consolidation of the company I66, also considering the effects recognized by the parent company.

| | DEC. 2021 | | DEC. 2021 |
|---|---|---|---|
| | Group total pre-I66 acquisition | I66 + Holding | Total |
| **NON-CURRENT ASSETS** | **11,454** | **4,339** | **15,794** |
| Goodwill | 166 | 254 | 420 |
| Fixed assets in infrastructure projects | 6,753 | 4,432 | 11,185 |
| Investments in associates | 2,186 | -348 | 1,838 |
| Other non-current assets | 2,350 | 1 | 2,350 |
| **CURRENT ASSETS** | **9,155** | **-53** | **9,102** |
| Short term trade and other | 1,210 | 108 | 1,317 |
| Cash and cash equivalents | 5,676 | -161 | 5,515 |
| Other current assets | 2,269 | 0 | 2,269 |
| **TOTAL ASSETS** | **20,609** | **4,287** | **24,896** |
| **SHAREHOLDERS' FUNDS** | **3,455** | **2,384** | **5,839** |
| **Equity attributable to the parent company** | **2,947** | **1,101** | **4,048** |
| Profit/(loss) for the year | 80 | 1,117 | 1,197 |
| Reserves and currency translation | 2,867 | -16 | 2,851 |
| **Equity attributed to non-controlling interests** | **507** | **1,283** | **1,791** |
| Deferred income | 1,402 | 0 | 1,402 |
| **NON-CURRENT LIABILITIES** | **9,294** | **1,784** | **11,078** |
| Long-term borrowings | 7,986 | 1,527 | 9,512 |
| Deferred tax liabilities | 413 | 258 | 670 |
| Other non-current liabilities | 896 | 0 | 896 |
| **CURRENT LIABILITIES** | **6,459** | **118** | **6,577** |
| Short-term borrowings | 1,047 | 27 | 1,074 |
| Trade and other payables | 2,702 | 90 | 2,793 |
| Other current liabilities | 2,710 | 0 | 2,710 |
| **TOTAL EQUITY AND LIABILITIES** | **20,609** | **4,287** | **24,896** |

| | DEC. 2021 | | DEC. 2021 |
|---|---|---|---|
| | Group total pre-I66 acquisition | I66 + Holding | Total |
| **TOTAL OPERATING INCOME** | **6,779** | **0** | **6,779** |
| **TOTAL OPERATING EXPENSES** | **6,183** | **0** | **6,183** |
| **EBITDA** | **596** | **0** | **596** |
| Fixed asset depreciation | 260 | 0 | 260 |
| **Operating profit/(loss) before impairment and disposal of fixed assets** | **337** | **0** | **337** |
| Impairment and disposals of fixed assets | 22 | 1,117 | 1,139 |
| **Operating profit/(loss)** | **359** | **1,117** | **1,476** |
| **Net financial income/(expense)** | **-1,451** | **1,117** | **-334** |
| Share of profits of equity-accounted companies | -178 | 0 | -178 |
| **Consolidated profit/(loss) before tax** | **-153** | **1,117** | **964** |
| Corporate income tax | 10 | 0 | 10 |
| **Consolidated profit/(loss) from continuing operations** | **-143** | **1,117** | **974** |
| Profit/(loss) from discontinued | 361 | 0 | 361 |
| **Consolidated profit/(loss) for the** | **218** | **1,117** | **1,335** |
| Profit/(loss) for the year attributed to non-controlling interests | -138 | 0 | -138 |
| **Profit/(loss) for the year attributed to the parent company** | **80** | **1,117** | **1,197** |

Acquisition of 24.86% of the Indian company IRB Infrastructure Developers Limited

**Acquisition and significant influence**

On 29 December 2021, Ferrovial completed the acquisition, through its Dutch subsidiary Cintra INR Investments BV, of 24.86% of the Indian company IRB Infrastructure Developers Limited by subscribing for a preferred capital increase. The amount paid reached to EUR 369 million. The transaction price has been established in accordance with applicable rules, by considering the average price weighted by the trading volume of the two weeks prior to the closing.

IRB Infrastructure Developers was founded in 1998, is listed on the Bombay Stock Exchange and is one of India's leading infrastructure companies. It has 23 toll road concessions representing a share of around 20% of the so-called Golden Quadrilateral, the road network that connects the country's main economic development hubs. The most significant assets include the Mumbai-Pune toll road, regarded as one of India's most important highways. Revenue in the past year totaled EUR 630 million and EBITDA reached EUR 310 million. The company's construction division, which currently works exclusively for its own concession projects, has executed a total of 14,000 kilometers of toll roads.

Virendra D. Mhaiskar (his family and his holding company) is the majority shareholder of IRB Infrastructure Developers and will carry on managing the business. The ownership interest acquired does not therefore give Ferrovial control. However, the shareholding acquired, together with Ferrovial's presence on the Board of Directors, means that Ferrovial has significant influence in IRB (IAS 28.5 and 28.6). Consequently, under AS 28.10, the shareholding is equity accounted.

**IRB's financial statements and subsequent accounting treatment**

IRB's latest available financial statements relate to September 2021, as shown below. No results are included at 31 December 2021 because the acquisition took place on 29 December 2021.

| Millones de euros | September 2021 |
|---|---|
| **NON-CURRENT ASSETS** | **4.258** |
| Property plant & equipment | 14 |
| Intangible assets | 3.252 |
| Financial assets | 973 |
| Deferred tax assets | 12 |
| Other non-current assets | 8 |
| **CURRENT ASSETS** | **715** |
| Inventories | 37 |
| Financial assets | 578 |
| Current tax assets | 11 |
| Other current assets | 89 |
| **TOTAL ASSETS** | **4,974** |
| **SHAREHOLDERS' FUNDS** | **839** |
| **NON-CURRENT LIABILITES** | **3.445** |
| Financial liabilities | 1.997 |
| Other non-current liabilities | 1.448 |
| **TOTAL CURRENT LIABILITES** | **690** |
| Borrowings | 322 |
| Trade payables | 77 |
| Other current liabilities | 278 |
| Current tax liabilities | 14 |
| **TOTAL EQUITY AND LIABILITIES** | **4,974** |

Also, since scarcely two days elapsed from the IRB acquisition date to the financial year-end, no adjustments were made to the investment's value to reflect IRB's results generated after the acquisition date, due to being immaterial.

Finally, any differences that may arise between the investment's value and the corresponding proportion of the company's net assets measured at fair value will identified and allocated during the 12 months following the acquisition.

The IRB share price on 31/12/21 (Rs 227.4 per share) was higher than the purchase price (Rs 211.8 per share).

**Construction**

In February 2021, Budimex, Ferrovial's construction subsidiary in Poland, reached an agreement to sell the real estate business carried on through its subsidiary Budimex Nieruchomości. The sale, which was completed in June for the sum of PLN 1,513 million (EUR 330 million, net of transaction costs), entailed recognizing a capital gain, before non-controlling interests, of EUR 107 million on the discontinued operations line.

In addition, at year-end 2020 an agreement was reached with Aberdeen Infrastructure (Holdco) IV B.V to sell the Group's ownership interest in Urbs Iudex Et Causidicus, S.A - URBICSA - (22%) for EUR 17 million. This transaction was completed in the second quarter of 2021 and entailed recognizing a capital gain of EUR 17 million on the impairment and disposals line.

**Services**

As indicated in the notes on results of Discontinued Activities (Note 2.9), during 2021, sale agreements have been reached for the Environmental Services business in Spain and Portugal and for the maintenance of infrastructures of the oil and gas industry business in the United States.

**Other businesses: Energy**

Acquisition of 100% of the company Parque Solar Casilla

Acquisition and takeover

On 20 September 2021 Ferrovial, through its subsidiary Ferrovial Infraestructura Energéticas, acquired 100% of the assets of Parque Solar Casilla S.L.U., which holds permits to build a 49.9 MWp solar photovoltaic plant in Gerena (Seville). The plant's energy output matches Ferrovial's energy consumption in Spain and Portugal and will be destined for the wholesale market in this geographic area. The investment amounted to EUR 10.3 million.

Full consolidation of the concession operator and fair value measurement of its assets and liabilities

In this case, the difference between the price paid (EUR 10.3 million) and the net value of the assets (EUR 1.2 million) is EUR 9.1 million. This amount has been allocated entirely to an intangible asset comprising the permits and licenses obtained by the company to build and operate the plant, which will be amortized over the plant's lifetime.

### 1.1.5. Restatement of the comparative financial statements

As indicated in Note 1.1.3, in 2021 the decision was taken to treat the UK waste treatment business as a continuing activity. Although the Group will carry on with the divestment process in the future, it is likely to take more than 12 months.

In addition, the contract to maintain and operate the section of the Autovía A2 toll road and the contract to maintain and operate Madrid Calle 30 (reported in the Toll Roads activity), the US infrastructure maintenance business and the energy efficiency services business (both reported in the Construction activity) have been reclassified as continuing operations.

The 2020 information of all these activities that have been reclassified to continuous activity has been restated.

In the first quarter of 2021, the Group's real estate business in Poland was reclassified as a discontinued operation. Therefore, under IFRS 5, paragraph 4.1, the income statement for the comparative period has been reclassified. The sale was completed on 5 June, as explained in Note 1.1.4.

This restatement had the following impact on the consolidated financial statements:

| | DEC. 2020 | | DEC. 2020 |
|---|---|---|---|
| **(Millions of euros)** | **Audited** | **Adjusted** | **Restated** |
| **Non-current assets** | **10,462** | **352** | **10,814** |
| Intangible assets | 60 | 36 | 96 |
| Fixed assets in infrastructure projects | 6,200 | 156 | 6,356 |
| Property, plant and equipment | 272 | 69 | 341 |
| Deferred taxes | 586 | 18 | 604 |
| Investments in associates | 1,710 | 17 | 1,727 |
| Other non-current assets | 1,634 | 56 | 1,690 |
| **Current assets** | **12,666** | **-389** | **12,277** |
| Assets classified as held for sale | 4,071 | -569 | 3,502 |
| Short-term trade and other receivables | 1,292 | 75 | 1,367 |
| Cash and cash equivalents | 6,432 | 94 | 6,526 |
| Other current assets | 871 | 11 | 882 |
| **TOTAL ASSETS** | **23,128** | **-37** | **23,091** |

| | DEC. 2020 | | DEC. 2020 |
|---|---|---|---|
| **(Millions of euros)** | **Audited** | **Adjusted** | **Restated** |
| **Equity** | **3,827** | **-37** | **3,790** |
| **Deferred income** | **1,245** | **37** | **1,282** |
| **Non-current liabilities** | **9,320** | **264** | **9,584** |
| Borrowings | 7,970 | 114 | 8,084 |
| Other long-term payables | 16 | 47 | 63 |
| Deferred taxes | 428 | 23 | 451 |
| Financial derivatives at fair value | 419 | 28 | 447 |
| Other non-current liabilities | 487 | 52 | 539 |
| **Current liabilities** | **8,736** | **-301** | **8,435** |
| Liabilities classified as held for sale | 2,958 | -482 | 2,476 |
| Borrowings | 1,657 | 21 | 1,678 |
| Short-term trade and other payables | 3,029 | 86 | 3,115 |
| Trade provisions | 892 | 60 | 952 |
| Other current liabilities | 200 | 14 | 214 |
| **TOTAL LIABILITIES** | **23,128** | **-37** | **23,091** |

| | DEC. 2020 | | DEC. 2020 |
|---|---|---|---|
| **(Millions of euros)** | **Audited** | **Adjusted** | **Restated** |
| Operating income | 6,344 | 190 | 6,534 |
| Total operating expenses | -5,935 | -193 | -6,128 |
| **EBITDA** | **409** | **-3** | **406** |
| Fixed asset depreciation | 198 | 35 | 233 |
| **Operating profit/(loss) before fixed asset impairment and disposals** | **211** | **-38** | **173** |
| Profit/(loss) from impairment and disposals of fixed assets | 15 | 1 | 16 |
| **Operating profit/(loss)** | **226** | **-37** | **189** |
| **Net financial income/(expense)** | **-232** | **-11** | **-243** |
| Share of profits of associates | -378 | 5 | -373 |
| **Consolidated profit/(loss) before tax** | **-384** | **-43** | **-427** |
| Corporate income tax | 28 | 6 | 34 |
| **Profit/(loss) from continuing operations** | **-356** | **-37** | **-393** |
| Net profit/(loss) from discontinued operations | -3 | 23 | 20 |
| **Consolidated profit/(loss) for the** | **-359** | **-14** | **-373** |
| Profit/(loss) for the year attributed to non-controlling interests | -51 | 0 | -51 |
| **Profit/(loss) for the year attributed to the parent company** | **-410** | **-14** | **-424** |

## 1.2 IMPACT OF COVID-19

Almost two years after the World Health Organization declared the COVID-19 global pandemic, progress towards herd immunity thanks to vaccination has allowed the countries in which Ferrovial operates to partially raise the restrictions on mobility and on economic activities that have been in force since the start of the pandemic, although at an uneven rate depending on the country, and with ups and downs caused by successive waves, with a particularly negative impact due to the Omicron variant in the final weeks of the year. This has therefore allowed a recovery in demand for Ferrovial's services, though uneven and uncertain as regards the end of the wave caused by Omicron, as explained below.

The Construction and Services activities were hardly affected by the pandemic during 2021, while traffic on the main toll roads operated by Ferrovial recovered quickly as soon as the countries began to lift restrictions over the course of the year. In contrast, the Airports business is clearly experiencing the greatest difficulties and recovering more slowly due to the air traffic restrictions, exacerbated at the end of the year by the omicron variant.

With the aim of presenting the global impact of the pandemic and in line with ESMA's recommendations, this note provides an explanation of the impact on the financial statements for 2021 (focused on the infrastructure business), a description of the analysis performed to conclude that the Company can continue to do business under the going concern principle, an analysis of the possible impact of COVID-19 on the impairment of assets and an assessment of the potential impact on the main financial risks, including an analysis of the risk of breach of covenants included in financing agreements.

### 1.2.1 Impact on the financial statements for 2021 and mitigating measures adopted

The effects of COVID-19 on Ferrovial's business results are described below:

#### Airports Division

During 2021, the number of passengers both at Heathrow and at AGS (the holding company of Aberdeen, Glasgow and Southampton airports), which are equity-accounted companies, has remained at extremely low levels compared to those prior to the start of the pandemic, as detailed in the following table:

| Passenger trends (*) | Mar-21 | Jun-21 | Sep-21 | Dec-21 | 2021 (**) |
|---|---|---|---|---|---|
| **Heathrow** | **-92%** | **-87%** | **-62%** | **-53%** | **-76%** |
| Aberdeen | -74% | -64% | -51% | -46% | -62% |
| Glasgow | -97% | -86% | -66% | -50% | -77% |
| Southampton | -98% | -90% | -74% | -74% | -85% |
| **TOTAL AGS** | **-92%** | **-82%** | **-64%** | **-52%** | **-74%** |

(*) Compared with the same month of 2019

(**) As compared with 2019

However, passenger volumes improved overall compared to 2020, except for the first quarter of the year, which in 2020 was pre-pandemic. The trend is shown below:

| Passenger trends (*) | Mar-21 | Jun-21 | Sep-21 | Dec-21 | 2021 (**) |
|---|---|---|---|---|---|
| **Heathrow** | **-83%** | **173%** | **105%** | **173%** | **-12%** |
| Aberdeen | -50% | 118% | 74% | 87% | 11% |
| Glasgow | -92% | 1,057% | 102% | 411% | 7% |
| Southampton | -88% | 338% | 153% | 524% | -11% |
| **TOTAL AGS** | **-81%** | **312%** | **97%** | **249%** | **6%** |

(*) Compared with the same month of 2020

(**) As compared with 2020

The passenger trend was directly related to the evolution of the pandemic during the year:

- The first few months of 2021 were adversely affected by new outbreaks in certain geographies.
- But from the second quarter onwards, following successful vaccination campaigns and the reopening of borders, Heathrow and AGS saw a steady increase in traffic as mobility restrictions were lifted and entry requirements were simplified. Specifically, in May the UK government began to gradually open up international air traffic, establishing a traffic light system, classifying countries of origin into three categories (green, amber and red) based on progress in vaccination, infection levels and the incidence of particularly worrying variants.
- On 4 October, the British government announced the end of this system, which led to a significant improvement in passenger volumes until December, when fear of the spread of the new Omicron variant led the UK government to significantly increase restrictions.

Heathrow Airport's passenger volumes for the year totaled 19.4 million. AGS passengers numbered 3.5 million, split between 2.1 million at Glasgow airport, 1.1 million at Aberdeen and 0.3 million at Southampton.

This trend had a negative effect on Ferrovial's results, the Airports Division having contributed EUR -254 million, of which EUR -238 million related to Heathrow Airport.

### Toll Roads Division

Toll road traffic recovered in 2021 as mobility restrictions were lifted, although traffic in the last fortnight of the year suffered following the rapid expansion of the Omicron variant. Generally speaking, trends have been more positive in the US toll roads, particularly in the Dallas area thanks to the swift lifting of restrictions since March. Traffic in December was above 2019 levels (pre-pandemic) at the NTE and NTE 35W toll roads, but LBJ is still below.

The Canadian 407 toll road recovered more slowly in the first half due to the quarantine in Toronto until the end of May and then improved quickly from June onwards, as restrictions were lifted, although the delay in the return to the office in some sectors meant a new setback in the recovery that had begun in August.

Traffic trends on the main toll roads in North America in 2021 (compared with pre-pandemic levels in 2019) are analyzed below:

| Traffic trends (*) | Mar-21 | Jun-21 | Sep-21 | Dec-21 | 2021 (**) |
|---|---|---|---|---|---|
| **407 ETR** | -47% | -42% | -21% | -23% | -38% |
| **NTE** | 1% | 6% | 8% | 5% | -1% |
| **LBJ** | -17% | -14% | -22% | -19% | -24% |
| **NTE 35W** | 18% | 19% | 11% | 8% | 9% |

(*) Compared with the same month of 2019

(**) As compared with 2019

The trend compared with the previous year is shown below:

| Traffic trends (*) | Mar-21 | Jun-21 | Sep-21 | Dec-21 | 2021 (**) |
|---|---|---|---|---|---|
| **407 ETR** | -13% | 37% | 27% | 50% | 13% |
| **NTE** | 47% | 55% | 36% | 31% | 34% |
| **LBJ** | 18% | 59% | 36% | 36% | 24% |
| **NTE 35W** | 53% | 42% | 24% | 20% | 28% |

(*) Compared with the same month of 2020

(**) As compared with 2020

Toll Roads Division traffic was irregular. Assets such as NTE 35W or NTE were close to or above 2019 pre-pandemic levels, while LBJ and 407 ETR were still below. However, traffic volumes on all the tolls roads were well above 2020 levels. As a result, Ebitda reached EUR 415 million, having improved considerably in relation to 2020 by EUR 280 million, although without reaching the EUR 436 million recognized for the same period of 2019 (pre-pandemic). Similarly, the contribution by equity-accounted businesses, particularly 407 ETR (EUR 52 million), was above the 2020 figure (EUR 33 million) but below the EUR 153 million reached in 2019.

### Impact on cash flows

The impact of the pandemic on cash flows in the infrastructure businesses is quantified in terms of the change in dividends received (mainly due to the 407 ETR and Heathrow assets). Set out below is the trend in dividends since 2019 (pre-pandemic). It may be observed that the overall volume of dividends is above 2020 but below 2019, due primarily to the amounts that were not received from the Airports Division.

| Dividends received | 2021 | 2020 | 2019 | 2021 vs. 2020 | 2021 vs. 2019 |
|---|---|---|---|---|---|
| 407 ETR | 164 | 160 | 309 | 4 | -145 |
| HAH | 0 | 29 | 145 | -29 | -145 |
| LBJ | 167 | 109 | 0 | 57 | 167 |
| NTE | 53 | 25 | 166 | 28 | -112 |
| M-203 | 73 | 0 | 0 | 73 | 73 |
| Other | 92 | 134 | 109 | -42 | -16 |
| **TOTAL** | **550** | **458** | **729** | **92** | **-179** |

### 1.2.2 Going concern assessment

Ferrovial is confronting 2022 in a position of very high liquidity. In December 2021, ex-infrastructure projects, liquidity reached EUR 6,421 million, including EUR 132 million relating to the Services Division, as well as lines available at the ex-infrastructures level in the amount of EUR 991 million. The ex-infrastructures net cash position stood at EUR 2,182 million at end-December 2021 (including the Services Division). It should also be noted that the Group's short-term assets and liabilities, including cash and debt position, show a positive balance at end-December 2021.

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 2022 and 2023, also including a pessimistic scenario with a series of stress assumptions regarding the Company's cash flow, most notably:

- Assumption that there will be no additional dividends received from infrastructure projects in 2022 or in 2023.
- Construction business cash projections for 2022 and 2023 are calculated as a 50% decline in 2021 working capital (excluding provisions and lease payments), estimated at around EUR -100 million per annum.
- Delay in sale processes currently under way, until after 2023.

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 12 months following the date these financial statements were signed.

### 1.2.3 Impact on asset impairment

As previously mentioned, the Construction and Services businesses were largely unaffected by the pandemic in 2021. The favorable outlook for the Toll Roads business leaves potential impairment risks in the Airports Division.

Nonetheless, it should be noted that, at December 2021, the value of the ownership interest in Heathrow had fallen to zero (the value of the investment in AGS has also been zero since December 2020) due to the absorption of losses (Note 5.4), so no additional impairment is possible.

### 1.2.4 Impact on financial risks

As mentioned in the previous point, financial risks relate primarily to the Airports Division.

To bolster its liquidity position, Heathrow has issued GBP 1,600 million in debt since the start of the year. The liquidity position and cost reduction plans have been recognized by Standards and Poor's and Fitch, which confirmed the credit ratings in March 2021, although in January 2022 Moody's issued a credit opinion with a negative outlook on Heathrow Finance as part of its annual review.

On 18 June, AGS entered into an agreement with a syndicate of banks to modify and extend the facility agreement concluded in February 2017 in the amount of GBP 757 million (the entire amount having been drawn). The main terms and conditions of the agreement are explained in Note 5.4.

## 1.3. ACCOUNTING POLICIES

### 1.3.1. New accounting standards

**1.3.1.a) New standards, amendments and interpretations adopted by the European Union mandatorily applicable for the first time in 2021**

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 2020, 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.

The purpose of the interest benchmark rate reform is to replace the indices used as benchmarks for the average interest rate at which a certain number of financial institutions would grant unsecured interbank funding for different periods and currencies, such as the LIBOR. The reform consisted of two phases:

- The phase-one changes in force as from 1 January 2020 allowed entities to continue to apply hedge accounting to hedging relationships affected by the reform.
- The phase-two changes approved in August 2020 and applicable as from 1 January 2021 allow changes made to financial instruments to be recognized by adjusting the effective interest rate on floating-rate instruments, provided this is necessary to adapt them to the reform and the new cash flow calculation bases are economically equivalent to the previous bases. They also allow hedge accounting to continue.

The financial instruments affected by the interest rate benchmark reform are shown below by hedge type:

| | Derivative financial instruments | | financial liabilities | |
|---|---|---|---|---|
| Benchmark | Notional (M EUR) | Notional (M Local Currency) | Notional (M EUR) | Notional (M Local Currency) |
| **Libor GBP** | 742 | 624 | 742 | 624 |
| IRS | *742* | *624* | 742 | 624 |
| **Libor USD** | 483 | 549 | 227 | 258 |
| IRS | *483* | *549* | 227 | 258 |

**1.3.1.b) New standards, amendments and interpretations mandatorily applicable in annual reporting periods subsequent to 31 December 2021:**

The new standards, amendments and interpretations approved by the IASB but not yet mandatorily applicable at 31 December 2021 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 |
|---|---|---|---|
| Amendment to IFRS 4 Insurance contracts - deferral of IFRS 9 | 16 December 2020 | 01 January 2021 | 01 January 2021 |
| IFRS 17 – Insurance contracts | Pending | Pending | 01 January 2023 |
| Amendment to IAS 1 Presentation of financial statements: classification of financial liabilities as current or non-current | Pending | Pending | 01 January 2024 |
| Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosures of Accounting Policies | 12 February 2021 | 01 January 2023 | 01 January 2023 |
| Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates | Pending | Pending | 01 January 2023 |
| Amendments to IAS 12 Income taxes: Deferred taxes related to assets and liabilities arising from a single transaction | Pending | Pending | 01 January 2023 |
| Amendments to:<br>IFRS 3 Business combinations<br>IAS 16 Property, plant and equipment<br>IAS 37 Provisions, contingent liabilities and contingent assets<br>Annual improvements 2018 - 2020 | Pending | Pending | 01 January 2022 |
| Amendments to IFRS 9. IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest rate benchmark reform – phase 2. | Pending | Pending | 01 January 2021 |

Although the Group is currently evaluating the impact, the analyses carried out to date indicate that first-time adoption is not expected to have a material impact on the consolidated annual accounts, except for the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest rate benchmark reform – phase 2.

### 1.3.2. Basis of consolidation

In 2021 and 2020 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, to calculate the degree of control, joint control or significant influence existing at each company in the Group, a review has been carried out of the consistency between the stake held and the number of votes controlled in each company under their articles of association and shareholder agreements.

In the case of business activities with companies in which the existence of joint control is identified, the general basis of consolidation is the equity method.

In relation to these jointly controlled businesses, apart from the situations in which there are two venturers, each with a 50% ownership interest, the 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, have a direct participation 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 nominate the majority of the Board of Directors of these companies, and the decisions of the said Boards (including the appointment of the main executive positions) always require a simple or qualified majority, when Ferrovial does not itself have a casting vote in the event of a tie. Notable cases in this regard are the stakes held in the companies that own the following Toll Road projects (the percentage stake held in each is shown in brackets): 407 ETR (43.23%), Slovakia (35%), Toowoomba (40%) and OSARs (50%).

Contracts that are undertaken through temporary consortia (UTEs) or similar entities that meet the IFRS 11 requirements to be classified as "Joint arrangements" are proportionately consolidated.

It is considered that, in these cases of joint operations, the partners have direct control over the assets, liabilities, income and expenses of these entities and joint and several liability. Operations of this nature contributed to the consolidated Group assets, profit/(loss) and revenues of EUR 65 million, EUR -27 million and EUR 1,127 million, respectively (2020: EUR 29 million, EUR -126 million and EUR 1,074 million). Particularly worthy of note due to their materiality (sales representing more than 0.5% of consolidated sales) are the following companies relating to construction projects:

| PROJECT | ACTIVITY | % SHAREHOLDING | REVENUE (€M) |
|---|---|---|---|
| Northern Line / Thames Tideway Tunnel | Design and construction of the Thames Tideway tunnel and Northern Line extension of the London Underground | 50% | 162 |
| HS2 Enabling Works | Preliminary ground and enabling works for the HS2 high speed line in the UK | 37% | 124 |
| Bucaramanga Toll Road (Ruta del Cacao) | Engineering, procurement and construction of the Bucaramanga-Barrancabermeja-Yondó project | 70% | 43 |
| Tokamak Iter | Construction of the Tokamak reactor located in Cadarache (France) | 30% | 17 |
| The Daivóes dam and hydroelectric plant | Construction of the Daivóes dam and hydroelectric power plant | 50% | 38 |
| Riverlinx | Design, construction, financing, operation and maintenance of the Silvertown Tunnel in East London. | 40% | 57 |
| 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 bridges and 30 million cubic meters of excavation. | 15% | 122 |
| **TOTAL** | | | **563** |

The companies over which Ferrovial, S.A. exercises significant influence or joint control and which do not meet the requirements in IFRS 11 to be classified as "joint operations" are equity accounted. A breakdown of the equity-accounted companies can be found in Note 3.5. and in Appendix II.

Certain companies are also consolidated using the equity method, in which it holds a direct or indirect stake of less than 20%, so long as Ferrovial can appoint one of the members of the Board of Directors.

Intra-Group balances and transactions are eliminated on consolidation. However, the transactions recognized in the income statement in relation to construction contracts performed 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 grantor or regulator in exchange for the right to operate the infrastructure under the terms pre-established by the grantor or regulator. The grantor 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 Group level the work is performed for third parties. This is in line with IFRIC 12.

The non-elimination of these transactions had an impact of EUR 6 million on the income statement, after taxes and non-controlling interests (2020: EUR -19 million). The detail of the transactions not eliminated on the basis of the foregoing is shown in Note 6.8, related party transactions.

Appendix II contains a list of subsidiaries and associates.

Finally, as regards transactions for the purchase or sale of a percentage stake that does not lead to any change of control in the company in question, the minority stake is measured at its proportional value in the identifiable net assets of the company being acquired or sold. Changes in a 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 line item in the consolidated statement of financial position and consolidated income statement

Set forth below is a detail of only those accounting policies adopted by the consolidated Group in preparing these consolidated annual accounts with respect to which there is 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 its materiality.

#### 1.3.3.1. Property, plant and equipment, investment property and intangible assets

- Subsequent to initial recognition, the items included under "intangible assets", "investment property" and "property, plant and equipment" are measured at cost less any accumulated depreciation and any accumulated impairment losses.
- The straight-line method is used to calculate the depreciation/amortization charge for the assets included under "intangible assets", "investment property" and "property, plant and equipment", except in the case of certain machinery in the construction business, which is depreciated using the diminishing 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 line item includes investments in infrastructure made by companies that hold these projects within the scope of IFRIC 12 (mainly toll roads), where remuneration consists of an unconditional right to receive cash or other assets, or a right to charge the corresponding fees based on the degree to which the public service is used.

The assets acquired by the concession operator to provide the concession services but which do not form part of the infrastructure (vehicles, furniture, computer hardware, etc.) are not included in this line item because they are not returned to the concession grantor. Assets of this nature are classified under "property, plant and equipment" and are depreciated over their useful life, using a method that reflects their economic use.

#### IFRIC 12 Intangible Asset Model

All initial investments relating to the infrastructure that is subsequently returned to the grantor, including compulsory purchase costs and borrowing costs capitalized during construction, are amortized on the basis of the expected pattern of consumption applicable in each case (normally forecast vehicle numbers in the case of toll roads) over the term of the concession.

The investments contractually agreed on at the start of the concession on a final and irrevocable basis for being made at a later date during the term of the concession, and provided they are not investments made to upgrade infrastructure, are considered to be initial investments. For investments of this nature, an asset and an initial provision are recognized for the present value of the future investment, applying a discount rate to calculate the present value that is equal to the borrowing costs associated with the project. The asset is amortized based on the pattern of consumption over the entire term of the concession and the provision is increased by the related interest cost during the period until the investment is made.

Where a payment is made to the grantor 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, which must have been set up in full by the time the replacement becomes operational. The provision is recognized on the basis of the pattern of consumption over the period in which the obligation arises and applying financial criteria.

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 consolidated balance sheet when they come into service. They are amortized 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 terms and conditions of the concession, these investments will not be offset by the possibility of obtaining increased revenue from the date on which they are made, a provision is recognized for the best estimate of the present value of the cash outflow required to settle the obligations related to the investment that will not be offset by the possibility of obtaining increased revenue from the date on which the investments are made. The balancing entry is an addition to the acquisition cost of the asset.

In the case of the proportional part of the upgrade or increase in capacity that is expected to be recovered through the generation of increased future revenue, the general accounting treatment used for investments that will be recovered in the concession term will be applied. The main assumptions used in relation to these arrangements correspond to vehicle number and replacement investment estimates, which are updated each year by technical departments.

Set forth below is a detail of the main toll road concessions in force to which the intangible asset model is applied, showing their duration, status and the accounting method applied:

| Toll road concessions | COUNTRY | STATUS | FIRST YEAR OF CONCESSION | FINAL YEAR | ACCOUNTING METHOD |
|---|---|---|---|---|---|
| NTE Mobility Partners, LLC | USA | Operational | 2014 | 2061 | Full consolidation |
| NTE Mobility Partners Seg 3 LLC | USA | Operational | 2018 | 2061 | Full consolidation |
| LBJ Infr. Group LLC | USA | Operational | 2014 | 2061 | Full consolidation |
| I-66 Mobility Partners LLC | USA | Construction | 2016 | 2066 | Full consolidation |
| I-77 Mobility Partners LLC | USA | Operational | 2019 | 2069 | Full consolidation |
| Euroscut Azores | Portugal | Operational | 2011 | 2036 | Full consolidation |
| Eurolink Motorway Operations (M4-M6) | Ireland | Operational | 2005 | 2033 | Equity-accounted |
| Autopista Terrassa Manresa, S.A. | Spain | Operational | 1989 | 2036 | Full consolidation |
| Autovía de Aragón, S.A. (**) | Spain | Operational | 2007 | 2026 | Full consolidation |

(*) First year of the concession (if in service) or year of commencement of construction (if at the construction phase).

(**) In 2021, the maintenance and operation contract for the A2 highway section was classified as a continuing operation.

#### Financial Asset Model IFRIC 12

This line item includes the service concession arrangements related to infrastructure in which the consideration consists of an unconditional contractual right to receive cash or another financial asset, either because the grantor guarantees to pay the operator specified or determinable amounts or because it guarantees to pay the operator the shortfall between amounts received from users of the public service and specified or determinable amounts. Therefore, these are concession arrangements in which demand risk is borne in full by the grantor. In these cases, the amount due from the grantor is accounted for as a loan or receivable under assets in the consolidated balance sheet.

To calculate the amount due from the grantor, the value of the construction, operation and/or maintenance services provided and the financial return in arrangements of this nature are taken into consideration.

Revenue from the services (mainly construction and maintenance) provided in each period increases the amount of the related receivables with a balancing entry in sales. The financial return on the consideration for the services provided also increases the amount of the receivables with a balancing entry in sales. Amounts received from the grantor reduce the total receivable with a balancing entry in cash.

When reporting this financial income in concessions of this type it is classified as ordinary income, since it forms part of the ordinary concession activity and is earned on a regular and periodic basis.

At 31 December 2021 and 2020, the financial income included in sales revenue amounted to EUR 15 million and EUR 18 million, respectively.

Also, the borrowing costs associated with the financing of concessions to which the financial asset model is applied amounted to EUR 22 million in 2021 and EUR 26 million in 2020.

Below is a detail of the main toll road concession arrangements to which the financial asset model is applied, showing their duration, status and the accounting method applied:

### Toll road concessions accounted for using the financial asset model

| CONCESSION OPERATOR | COUNTRY | STATUS | FIRST YEAR OF CONCESSION (*) | FINAL YEAR | ACCOUNTING METHOD |
|---|---|---|---|---|---|
| Auto-Estradas Norte Litoral (***) | Portugal | Operational | 2006 | 2031 | Equity-accounted |
| Autoestrada do Algarve, S.A. (***) | Portugal | Operational | 2004 | 2030 | Equity-accounted |
| Eurolink M3 | Ireland | Operational | 2010 | 2052 | Equity-accounted |
| A66 Benavente - Zamora | Spain | Operational | 2015 | 2042 | Equity-accounted |
| 407 East Extension | Canada | Operational | 2016 | 2045 | Equity-accounted |
| Scot Roads Partnership Project Limited (**) | UK | Operational | 2017 | 2047 | Equity-accounted |
| Nexus Infr. Unit Trust (Toowoomba) | Australia | Operational | 2019 | 2043 | Equity-accounted |
| Blackbird Infrastructure Group (407 East Phase 2) | Canada | Operational | 2019 | 2047 | Equity-accounted |
| Ruta del Cacao S.A.S | Colombia | Construction | 2015 | 2040 | Equity-accounted |
| Zero Bypass Ltd. | Slovakia | Construction | 2016 | 2050 | Equity-accounted |
| Netflow OSARs Western | Australia | Construction | 2017 | 2040 | Equity-accounted |
| Riverlinx, Ltd. | UK | Construction | 2019 | 2050 | Equity-accounted |

(*) First year of the concession (if in service) or year of commencement of construction (if at the construction phase).

(**) Owned 20% through Cintra and 20% through Amey

(***) Sold in 2021.

<u>Other concession arrangements accounted for using the financial asset model</u>

The other arrangements to which the financial asset model is applied relate to the Construction Division. Below is a breakdown of the most significant:

| CONCESSION OPERATOR | COUNTRY | STATUS | FIRST YEAR OF | FINAL YEAR | ACCOUNTING METHOD |
|---|---|---|---|---|---|
| Concesionaria de Prisiones Lledoners | Spain | Operational | 2008 | 2038 | Full consolidation |
| Conc. Prisiones Figueras S.A.U. (**) | Spain | Operational | 2011 | 2040 | Full consolidation |
| Depusa Aragón, S.A. | Spain | Construction | 2017 | 2037 | Full consolidation |
| Wroclaw Budimex Car Park | Poland | Operational | 2012 | 2042 | Full consolidation |
| Urbicsa Ciudad de la Justicia (**) | Spain | Operational | 2008 | 2039 | Equity-accounted |
| Concesionaria Vía Olmedo Pedralba | Spain | Operational | 2013 | 2041 | Equity-accounted |
| FBSerwis SA - IM009 DDS | Poland | Operational | 2016 | 2021 | Full consolidation |

(*) First year of the concession (if in service) or year of commencement of construction (if at the construction phase).

(**) Sold in 2021.

#### 1.3.3.3. Other line items in the balance sheet and income statement

##### 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 contracts as security to cover certain obligations relating to the interest or principal on the borrowings and to infrastructure maintenance and operation.

##### Fair value measurement

In such derivative measurements, the credit risk of the parties to the related agreement is considered. The impact of credit risk will be recognized in profit and loss, 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. The Group establishes a fair value band that categorizes the inputs to measurement methods used to measure fair value into 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 indicated in Note 5.5, "financial derivatives", all the Group's financial derivatives are categorized as 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 commercial assets contracted under IFRS 15, non-trade assets and receivables under the IFRIC 12 model. For its calculation, the Group has developed a method whereby certain rates 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 that payment obligations will not be met and the percentage lost, which, in the event of non-payment, would ultimately be irrecoverable.

The assignment of ratings and trends in the rates are overseen by the financial risk department, which performs an update at each year end based on credit risks. If during the analysis a significant increase in risk is identified with respect to that initially recognized, the expected loss is calculated considering 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 geographic area and is used to generate the rates 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).

Moreover, 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 will be provisioned. To this end, the Group has defined payment periods per type of customer that trigger a breach and thus the posting of a provision.

In the case of receivables under the IFRIC 12 model (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 will be made based on the same amount as the expected credit losses over the next 12 months. The risk is deemed not to have increased significantly if the awarding entity has a rating above investment grade and has maintained this level since initial recognition.

#### Classification and measurement of financial assets.

According to IFRS 9 the classification and measurement method is based on two aspects, these being the features of the contractual cash flows from the financial asset and the entity's business model. This sets out 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 are only payments of principal and interest, so, on this basis, financial assets are carried at amortized cost. We would solely note that for its equity instruments that are measured by default at their fair value with changes reported in profit/(loss), there is an option to report changes in fair value in other comprehensive income from the outset. This decision cannot be revoked and must be taken for each asset individually.

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-refundable capital grants are measured at the amount granted under "deferred income" (Note 6.1) in the consolidated statement of financial position. They are taken to profit or loss gradually in proportion to the period of depreciation on the assets financed with these grants, which is recognized under "depreciation and amortization charge". From the cash flow standpoint, the amount of the grants collected in the year is presented as a reduction of the amount of the investments made.

#### Trade payables

"Trade payables" include the 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 under the same conditions as those agreed with the supplier, the company bound by the obligation to make payment does not agree an extension with the banks beyond the due dates agreed with the supplier, and there are no special guarantees to secure the payments to be made.

### 1.3.3.4 Revenue recognition

In order to ensure that policy is standardized across all its different lines of business, Ferrovial has prepared a common revenue recognition policy adapted to IFRS 15 "revenue from contracts with customers".

#### i) General revenue recognition criteria

The first step in the revenue recognition process involves identifying the relevant contracts and the performance obligations that they contain.

Generally speaking, the performance obligations in the Construction and Services activities carried out by Ferrovial are met over time, rather than at a specific moment, since the customer simultaneously receives and consumes the benefits offered by the company's performance as the service is provided.

As regards the criterion for recognizing revenues over time (the method of measuring the progress of performance of an obligation), Ferrovial has established certain criteria that are consistently applied in respect of similar performance obligations.

In this regard, the Group has chosen the output method as its preferred method for measuring the value of assets or services for which control is transferred to the customer over time, which is applied whenever the progress of the work performed can be measured on the basis and over the course of the contract.

In contracts for the provision of different, highly interrelated goods or services required to produce a combined output, which often occurs in contracts for construction activities, the applicable output method is that of measurement of units produced ("surveys of performance" under "output methods"), in which the revenue recognized relates to the work units completed, based on the price assigned to each unit. In accordance with this method, the units produced under each contract are measured and the output for the month is recognized as revenue. The costs of carrying out works or service projects are recognized on an accrued basis, and the costs actually incurred in producing the units of output are recognized as an expense together with those which, because they might be incurred in the future, have to be allocated to the units produced to date (see Note 1.3.3.4. v) relating to provisions for deferred expenses).

In routine or recurring service contracts (in which the services are substantially the same), such as maintenance and cleaning services, which are transferred with the same pattern of consumption over time and whose remuneration consists of a recurring fixed amount over the term of the contract (e.g. monthly or annual payment), in such a way that the customer receives and consumes the benefits of the services as the entity provides them, the method selected by the Group to recognize revenue is the "time elapsed output method". 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.

Only in those contracts that are not for routine or recurring services and for which the unitary price of the units to be performed cannot be determined, use of the stage of completion measured in terms of the "costs incurred" (input method) is permitted. Under this method, the company recognizes revenues based on the costs as they accrue, as a percentage of the total costs forecast for completion of the works, taking account of the expected profit margins for the whole project, according to 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 revenues in proportion to the total revenues expected. As indicated above, this method only applies to those complex, lump-sum construction or services contracts in which it is not possible to break down the price and measure the units to complete.

Finally, as regards determining whether the company acts as a principal or agent, 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 toll road, the construction company is the principal if it is ultimately responsible for fulfilling the commitment to execute the work in accordance with the concession agreement specifications and assumes the contractual obligations in the event of a claim or delay.

### ii) Recognition of revenue from contract modifications, claims and disputes

Modifications are understood to mean changes to the scope of the work that are not provided for in the original contract and that could result in a change to the revenues attached to the contract in question. Changes to the initial contract require the customer's technical and financial approval prior to the issue of billings and collection of the amounts relating to additional work.

The criterion applied by the Group is not to recognize any revenue from this additional work until the additional work has been approved by the client. In cases where the work has been approved but its measurement remains pending, the "variable consideration" requirement (as explained below) will apply. This entails recognizing revenue in an amount that will be most likely not to suffer any significant reversal. Any costs associated with the units completed or services rendered will be recognized at the time at which they are incurred, regardless of whether or not the modification has been approved.

A claim is a request seeking payment or compensation from the customer (for example, cases involving compensation, reimbursement of costs, legally mandatory inflation-linked review), subject to the submission of a direct application to the customer. The criterion followed by the Group with regard to claims is to apply the method mentioned above in relation to changes, when such claims are not covered by the contract, or to apply the variable consideration method, when they are covered by the contract but need to be quantified. A dispute is the result of an incident of non-compliance or rejection after a claim has been made to the customer under the terms of the contract, the result of which is pending in a procedure being pursued directly with the customer or in court or arbitration proceedings. In line with the criteria followed by the Group, in the event that the revenues relating to a dispute in which the enforceability of the amount being claimed are in doubt, these revenues will not be recognized and any recognized earlier will be cancelled, since the dispute shows that the customer has not given its approval for the completed work.

In the event that the customer questions the value of the work completed revenues will be recognized on the basis of the criteria applied in cases of "variable consideration", as explained below.

Only in cases in which a legal report confirms that the rights forming the subject of the dispute are clearly enforceable and, therefore, at least the costs directly associated with the service relating to the dispute are recoverable, revenues may be recognized up to the maximum amount of the costs incurred.

### (iii) Determination of the transaction price

The purpose of the entity is to allocate the price to each performance obligation (or distinct good/service) for an amount that represents the consideration to which the entity expects to be entitled in exchange for the transfer of goods or services committed to the customer.

In order to fulfil the allocation purpose, the transaction price of each performance obligation identified in the contract is allocated as a selling price that is separate in relative terms.

The best evidence of a separate selling price is the observable price of a good or service when the entity sells that good or service separately in similar circumstances and to similar customers.

#### Variable consideration

If the consideration promised in a contract includes a variable amount, this amount is recognized only to the extent that it is highly probable that a significant reversal in the amount recognized will not occur when the uncertainty associated with the variable consideration is subsequently 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

Generally speaking, in order to calculate the price of a performance obligation, an implicit financing component is calculated, in cases in which between the date on which the goods or services are delivered and the date on which the customer is expected to pay for the goods or services is greater than a year. This component is treated as financial income.

Where a performance obligation involves a period of less than one year between the date on which the company transfers goods that have been promised to the customer and the date on which the customer pays, the practical solution permitted under the regulations is applied to avoid adjusting the financial amount of the consideration.

In cases in which there is a contractual or legal right to charge late payment interest for a payment that is delayed with regard to the contractually agreed terms, this late payment interest is only recognized when it is highly probable that it will be effectively paid.

### iv) Balance sheet items related to revenue recognition

#### Works completed pending certification/work certified in advance

Unlike revenue recognition, the amounts billed to the customer are based on achievement of the various milestones established in the contract and on acknowledgement thereof by the customer, through a contractual document referred to as a progress billing certificate. Thus, the amounts recognized as revenue for a given year do not necessarily coincide with the amounts billed to or certified by the customer.

In contracts in which the revenues recognized exceed the amount billed or certified, the difference is recognized in an asset account "Work completed pending certification" (since it is an asset under the contract) under "Trade receivables for sales and services", while in contracts in which the revenues recognized are lower than the amount billed or certified, the difference is recognized in a liability account "Work certified in advance" (since it is a liability under the contract) under "Short-term trade and other payables".

#### Bidding and mobilization costs

In addition to the balance sheet entries described above, the Group also recognizes assets connected with the cost of obtaining contracts (bidding costs) and the costs incurred in order to comply with contracts, or the start-up costs (mobilization costs) that relate directly to the main contract, provided that they are recoverable during the performance of the contract. These amounts are included in a different account on the assets side of 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 either 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 case (whether or not the contract is won). They are amortized systematically as the goods and services connected with the asset are transferred to the customer.

Any costs that are necessary in order to implement a contract, mobilization costs, are capitalized whenever it is probable that they will be recoverable in the future and when they do not include costs that would normally be generated for the company if the contract had not been won. They are gradually recognized as an expense on the basis of the proportion of actual output to estimated output under each contract. Otherwise, the expenses are entered directly to profit or loss.

### v) Provisions from customer contracts

The main provisions relating to customer contracts are provisions for deferred expenses and for budgeted losses.

- Provisions for deferred expenses. These cover expenses that are expected to be generated at the end of a contract, such as the removal of construction machinery or dismantling costs, together with estimates of the repairs that will be required during the warranty period. These provisions are connected with an existing obligation set out in the contract, on the basis that the company will probably allocate resources to complying with the obligation, the amount of which can be reliably estimated. The provisions are allocated on the basis of the best possible estimates of total costs. They may be calculated as a percentage of the total revenues expected from the contract, if there is historical information from similar contracts.

  As regards the warranty obligations included in this type of provision, these will not be treated as a separate performance obligation, unless the customer has the option of engaging the warranty separately, meaning that the obligation will be entered in accordance with IAS 37 on provisions.

- Provisions for budgeted losses. These provisions are recognized as soon as it becomes obvious that the total costs expected to be incurred in a contract exceed total expected revenues. For the purposes of calculating this provision, where necessary, the criteria set out in paragraph 14 (b) of IAS 37 are applied. In this way, the estimate of the total contract budget will include the forecast revenues that are considered probable.

  These criteria are different from those set out in IFRS 15, mentioned above in Note 1.2.3.4 "revenue recognition", under which the revenues are only recognized when considered highly probable.

  Likewise, in the event that the total profit expected from a contract is lower than the amount recognized according to the rules set out above for revenue recognition, the difference is entered as a provision for negative margins.

### vi) Specific criteria for revenue recognition by segment

#### Construction business

For construction contracts, as a general rule, single performance obligation will be identified owing to the high degree of integration and customization of the various goods and services to provide a combined output that is transferred to the customer over time.

As mentioned above, the Group has chosen the "measured work unit" ("output method") as its preferred method. This is applied whenever the progress of the work can be measured as it is being carried out, and a price has been allocated to each work unit.

It is only with regard to contracts in which it is not possible to determine a unit price for the units to be completed that the input method known as "measure of progress based on costs incurred" may be applied.

#### Services business

In the case of the Services business, there is no single type of contract, given the wide diversity of services offered. In general, contracts include a range of different tasks and unit prices, in which revenues are taken to the income statement when the services are provided, based on time elapsed, i.e. when the customer simultaneously receives and consumes the benefits provided by the performance of the service as it is being provided. This happens, for example, with recurring or routine services such as facility management, street cleaning or waste collection services.

Certain contracts include different types of activities, subject to a scale of fixed unit tariffs for the provision of the services that are provided and that form part of the contract as a whole. In these contracts, the customer requests each service by submitting work orders, which are classified as independent performance obligations, and any associated revenues will be recognized on the basis of the specific requirements set out for approval in each contract.

In the case of complex, long-term contracts that include the provision of various services involving different performance obligations (construction, maintenance, operation, etc.), payment of which is made regularly and for which the price relating to the obligations in question is indicated in the contract or can be calculated, revenues are recognized for the recurring services on an elapsed time basis, using the progress achieved criterion for the more complex performance obligations in which it is not possible to allocate a price to each of the units completed.

Lastly, it should be noted that the revenue from certain contracts that fall within the scope of IFRIC 12 is recognized as described in Note 1.3.3.2.

**Toll roads business**

The contracts included in this line of business are accounted for in accordance with IFRIC 12, which provides for the classification of the contract assets on the basis of the intangible asset model and the financial asset model (mixed models could also be applied) (Note 1.3.3.2).

In the case of concession arrangements accounted for using the intangible asset model, the customer is the user of the infrastructure and, therefore, each use made of the infrastructure by users is considered a performance obligation, and the related revenue is recognized at a point in time. In the case of concession arrangements accounted for using the financial asset model, in which the customer is the concession grantor, revenue recognition depends on the various services provided (e.g. operation or maintenance), which will be accounted for as different performance obligations, to which market prices have to be allocated. In cases in which an isolated sale price cannot be directly identified, it is estimated on the basis of the best possible estimate, applying the margin expected for this business.

**Airports business**

Generally speaking, these are short-term services rendered to the customer (airlines or airport users), in which regulated revenues will be recognized at a specific moment. It should be noted that the revenue from certain contracts that fall within the scope of IFRIC 12 is recognized as described in Note 1.3.3.2.

**Energy distribution business**

These are contracts with a series of services that are substantially the same and are transferred using the same standard model. The monthly tariff reflects the value of the services rendered. This type of contract will only have a performance obligation that is transferred over time, and revenues are recognized using the output method.

#### 1.3.3.5 Non-current assets held for sale

Non-current assets are classified as assets 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 highly probable, and they are available for immediate sale in their 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 events and circumstances beyond the company's control and there is sufficient evidence of the commitment to the sales plan. The total of these assets is registered in one line and valued at the lower value of their carrying amount and their fair value, less the costs to sell them, and are not subject to depreciation from the moment they are classified as held for sale. The profit/(loss) contribution of these assets to the Group's profit/(loss) is registered in the income statement, classified by type.

An entity that is committed to a sale plan that entails 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 of 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, both for the current financial year, as well as those presented alongside it, is presented in a specific line in the income statement after tax, with the total comprising the follow amounts:

- Profit/(loss) after tax of the activities and/or discontinued operations.
- Profit/(loss) after tax recognized for the fair value measurement, less sales costs, or for divestment.

### 1.3.4. Accounting estimates and judgements

Estimates have been made when preparing the 2021 consolidated annual accounts to measure some of the assets, liabilities, income, expenses and commitments recognized. These estimates basically relate to the following:

i. The estimate made to calculate the fair value of the purchase of an additional 5.704% of I-66 (Note 1.1.4).

ii. The estimates relating to recognizing revenues from customer contracts (Note 1.3.3.4), particularly important being those relating to:

- determining whether there are enforceable rights to recognize revenue;
- determining whether the modification of a contract has been approved;
- establishing whether the criteria have been met to recognize revenue as variable consideration;
- recognizing revenues in relation to an amendment, claim or dispute;
- establishing whether there are one or more performance obligations and the price to be allocated to each of them;
- defining the method applicable to each performance obligation in order 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 output method (analysis of work completed), based on either percentage completed or time elapsed, while the input method (measure of progress based on costs) is applied in cases in which the services rendered do not represent recurrent and routine services in which it is not possible to determine the unit price for the units to be completed;
- in the case of contracts entered under the criterion of examination of work completed, measurement of the units completed and the price to be allocated to them;
- in the case of contracts entered using the input method (measure of progress based on costs), defining the degree to which costs have been incurred and the margin expected to be obtained from the contract;
- determining capitalization of bidding and mobilization costs;
- assessment of whether to act as principal or agent;
- estimates relating to the calculation of provisions for expected losses and deferred expenses.

iii. The judgement regarding meeting the conditions to classify the assets and liabilities of the Services Division as discontinued operations in line with IFRS 5, and for the fair value estimation of those assets (Note 1.1.3).

iv. Estimates made for the purposes of the going concern assessment (Note 1.2)

v. Estimates made in 2021 regarding the impact of COVID-19 (Note 1.2)

vi. Assessment of possible legal and tax contingencies (Note 6.5 on contingent liabilities and Note 6.3 on provisions).

vii. The recognition for accounting purposes of the subordinated guaranteed hybrid bond (Note 5.1.2 equity instruments).

viii. Estimates regarding derivative measurements and the expected cash flows associated with them in order to determine the existence of accounting hedges (Note 5.5, financial derivatives at fair value).

ix. The measurement of possible impairment losses on certain assets, especially in 2021 with relation to the assets in the Airports business (Notes 2.1, Impact of COVID-19, Note 3.1, Goodwill, 3.6. Non-current financial assets and Note 3.5, Investments in associates).

x. Business performance projections that affect the estimates of the activation of tax assets and the possible recoverability of the same (Note 2.8 on tax matters).

xi. Estimates that take account of the future vehicle numbers on toll roads for the purpose of preparing financial information for toll roads pursuant to IFRIC 12 (Note 3.3, investments in infrastructure projects, and Note 6.3, provisions).

xii. The assumptions used in the actuarial calculation of liabilities due to pensions and other commitments to employees (Note 6.2, pension plan deficit).

xiii. The measurement of share award plans (Note 6.7, share-based remuneration schemes).

xiv. Estimation to determine the term of lease agreements when they include cancellation or extension options; or the assessment of whether the exercise of such options, which affect the value of the right-of-use asset and the lease liability, is reasonably certain (Note 1.2.1.a).

These estimates were made using the best information available at 31 December 2021 on the events analyzed. However, it is possible that events that may take place in the future might make it necessary to change these estimates. Changes in accounting estimates would be applied prospectively in accordance with the requirements of IAS 8.

### 1.3.5. Disclosures

It should also be noted that in preparing these consolidated annual accounts the Group has omitted any information or disclosures which did not require disclosure due to their qualitative importance and were considered to be immaterial under IFRS.

## 1.4. EXCHANGE RATE

As indicated above, Ferrovial engages in business outside the eurozone through various subsidiaries. The exchange rates used to convert these financial statements for their inclusion in the Group's consolidated financial statements are as follows:

Balance sheet items (exchange rates at 31 December 2021 and at 31 December 2020 for the comparative period):

| Closing exchange rate | 2021 | 2020 | Change 21/20 (*) |
|---|---|---|---|
| Pound sterling | 0.8413 | 0.8956 | -6.05% |
| US dollar | 1.1370 | 1.2225 | -6.99% |
| Canadian dollar | 1.4373 | 1.5609 | -7.92% |
| Australian dollar | 1.5647 | 1.5888 | -1.52% |
| Polish zloty | 4.5869 | 4.5678 | 0.42% |
| Chilean peso | 968.9800 | 868.6600 | 11.55% |

(*) A negative change represents an appreciation of the reference currency against the euro and vice versa.

Items in the income statement and cash flow statement (cumulative average rates at December 2021 and at December 2020 for the comparative period):

| Average exchange rate | 2021 | 2020 | Change 21/20 (*) |
|---|---|---|---|
| Pound sterling | 0.8590 | 0.8887 | -3.39% |
| US dollar | 1.1796 | 1.1465 | 2.89% |
| Canadian dollar | 1.4790 | 1.5377 | -3.82% |
| Australian dollar | 1.5785 | 1.6593 | -4.87% |
| Polish zloty | 4.5656 | 4.4673 | 2.20% |
| Chilean peso | 901.4610 | 906.6242 | -0.57% |

(*) A negative change represents an appreciation of the reference currency against the euro and vice versa.

As detailed in the previous tables, during 2021 the main currencies in which Ferrovial operates appreciated against the euro.

The impact recorded in this regard on shareholders' funds attributable to the parent company is EUR 106 million (see Note 5.1.1 Changes in equity).

Note 5.4 explains how exchange rate risk is managed.

In addition, the impact caused by exchange rates is also analyzed in the Notes where this is a relevant issue.

## 1.5. INFORMATION BY SEGMENT

Appendix III contains the statements of financial position and the income statement for each business segment, both for 2021 and for the comparative period.

It also includes a breakdown by segment of the sections in which this information is important 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 that amounts to EUR 1,197 million was primarily affected by the capital gain in the concession operator I-66 Express Mobility Partners Hold. LLC, due to the restatement of the pre-existing shareholding following the acquisition of an additional 5.704%. As a result, Ferrovial's total shareholding stands at 55.704% of the concession awarded by the Virginia Transport Department.

The acquisition of this additional ownership interest means that Ferrovial holds the majority of voting rights on the concession operator's Board so the toll road is now fully consolidated. This transaction entails recognizing a capital gain of EUR 1,101 million on the "impairment and disposals" line due to measuring Ferrovial's pre-existing 50% interest at fair value, together with the gain of EUR 16 million on the recycling of currency translation differences (Note 1.1.4.), resulting a total impact of EUR 1,117 million.

In addition, net profit/(loss) for the year was impacted by a profit of EUR 361 million (EUR 299 million impact on net income) from discontinued operations relating mainly to two divestment transactions:

– The profit of EUR 246 million from the Services business (Notes 1.1.3 and 2.9), relating primarily to the Environment activity (Spain and Portugal) sold on 1 December, as explained in Note 1.1.4, with an impact of EUR 335 million.

– The profit from the sale of the Budimex Group's Polish real estate business (B.N.I.) on 22 February at a gain of EUR 107 million before non-controlling interests, recognized on the discontinued operations line, and EUR 53 million in net profit/(loss) (after non-controlling interests).

Other non-recurring effects on the impairment and disposals line amounting to EUR 22 million relate basically to sale transactions in the Construction Division, particularly the gain on the divestment of the 19.86% ownership interest in Nalanda, the sale of 22% of Urbicsa and the divestment in Figueras.

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 -226 million, as broken down in the accompanying table.

This result is still affected by the impact of COVID-19 on the Airports business, particularly on Heathrow Airport (HAH), the investment carried in equity-accounted assets at 31 December 2020 (EUR 205 million) having fallen to zero after losses for the year; and the impact of the AGS airports, for which losses of EUR 20 million have been recognized, also reducing the ownership interest to zero.

Finally, the Tolls Roads and Construction businesses improved compared with 2020 from an operational viewpoint, as explained in more detail in the Management Report.

| | | Balances at 31/12/2021 |
|---|---|---|
| **Non-recurring impacts** | **Profit/(loss) before tax** | **Net profit/(loss)** |
| Net income | 964 | 1,197 |
| I-66 Capital gain (Note 2.5) | 1,117 | 1,117 |
| Services discontinued | 0 | 299 |
| Other Capital gain | 21 | 14 |
| Other impacts | -116 | -7 |
| **Net income Like – for -Like** | **-58** | **-226** |

## NOTES ON PROFIT/(LOSS) FOR CONTINUING OPERATIONS

### 2.1. OPERATING INCOME

The detail of the Group's operating income at 31 December 2021 is as follows:

| (Millions of euros) | 2021 | 2020 (*) |
|---|---|---|
| Revenue | 6,778 | 6,532 |
| Other operating income | 1 | 3 |
| **Total operating income** | **6,779** | **6,534** |

(*) Restated figures (Note 1.1.5)

The Group's revenue at 31 December 2021 relating to contracts with customers, as interpreted by IFRS 15, amounts to EUR 6,678 million (Note 4.4).

Revenue includes the financial income for the services provided by the concession operators that apply the financial asset model, amounting to EUR 15 million in 2021 (2020: EUR 18 million).

"Other operating income" includes the impact of the grants related to income received in 2021 amounting to EUR 1 million (2020: EUR 3 million).

The breakdown of revenue by segment and the comparison with the prior year is as follows:

| | | | 2021 | |
|---|---|---|---|---|
| **(Millions of euros)** | **External sales** | **Intersegment sales** | **Total** | **Var. %** |
| Construction | 5,044 | 1,033 | 6,077 | 2% |
| Toll roads | 587 | 1 | 588 | 34% |
| Airports | 1 | 1 | 2 | 100% |
| Other activities | 129 | 148 | 277 | 18 % |
| Adjustments | 0 | -166 | -166 | 31% |
| **Total** | **5,761** | **1,017** | **6,778** | **4%** |

| | | | 2020 |
|---|---|---|---|
| **(Millions of euros)** | **External sales** | **Intersegment sales** | **Total** |
| Construction | 4,955 | 1,029 | 5,984 |
| Toll roads | 438 | 1 | 439 |
| Airports | 1 | 0 | 1 |
| Other activities | 115 | 120 | 235 |
| Adjustments | 0 | -127 | -127 |
| **Total** | **5,508** | **1,024** | **6,532** |

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, as discussed in Notes 1.2.2 and Note 6.8.

In "Other activities", sales relate to the Energy Infrastructure, Mobility and Waste Treatment Plants businesses, as mentioned in Note 1.1.2

The breakdown of sales by geographical area is as follows:

| (Millions of euros) | 2021 | 2020 (*) | Var. 21/20 |
|---|---|---|---|
| USA | 2,639 | 2,558 | 81 |
| Poland | 1,735 | 1,726 | 9 |
| Spain | 1,092 | 981 | 111 |
| UK | 644 | 524 | 120 |
| Canada | 80 | 87 | -7 |
| Other | 589 | 656 | -67 |
| **TOTAL** | **6,778** | **6,532** | **246** |

(*) Restated figures (Note 1.1.5)

The Ferrovial Group's sales in its five main markets account for 91% of total sales.

### 2.2. OTHER OPERATING EXPENSES

Operating expenses mainly include work carried out by other companies and changes in provisions for the year:

| Millions of euros | 2021 | 2020 (*) | Var. |
|---|---|---|---|
| Subcontracted work | 2,824 | 2,922 | -98 |
| Leases | 228 | 235 | -7 |
| Repairs and maintenance | 66 | 68 | -2 |
| Independent professional services | 323 | 276 | 46 |
| Changes in provisions for liabilities (Note 6.3) | 51 | 157 | -106 |
| Other operating expenses | 404 | 267 | 137 |
| **Total other operating expenses** | **3,897** | **3,926** | **-30** |

(*) Restated figures (Note 1.1.5)

### 2.3. STAFF COSTS

The detail of staff costs is as follows:

| (Millions of euros) | 2,021 | 2020 (*) | VAR. |
|---|---|---|---|
| Wages and salaries | 1,036 | 1,025 | -11 |
| Social security | 142 | 143 | 1 |
| Pension plan contributions | 10 | 10 | -1 |
| Share-based payments | -10 | 10 | 20 |
| Other welfare expenses | 30 | 24 | -6 |
| **TOTAL** | **1,208** | **1,212** | **3** |

(*) Restated figures (Note 1.1.5)

Compared to the previous year, the impact on the income statement in relation to remuneration systems based on the delivery of shares stands out, which has generated an income of 10 million euros (-10 million euros spent in 2020) with a counterpart in net worth. The recognition of this income is due to the partial reversal of the provision endowed in previous years, since both in the plan that expired in 2021 and the one that expires in 2022, the degree of compliance with the conditions entitled to receive remuneration has been lower than that initially considered.

The detail of the number of employees at 31 December 2021 compared to 2020, by professional category and gender, is broken down by continuing and discontinued operations in the following tables:

| CONTINUING OPERATIONS CATEGORY | 31/12/2021 MEN | WOMEN | TOTAL | VAR. 21/20 |
|---|---|---|---|---|
| Executive directors | 2 | 0 | 2 | 0% |
| Senior managers | 12 | 1 | 13 | 0% |
| Executives | 99 | 13 | 112 | 17% |
| Managers/Professionals/Supervisors | 6,178 | 2,386 | 8,564 | 129% |
| Administrative/Support personnel | 500 | 536 | 1,036 | 42% |
| Manual workers | 8,623 | 330 | 8,953 | -88% |
| **TOTAL** | **15,414** | **3,266** | **18,680** | **-1%** |

| CONTINUING OPERATIONS | 31/12/2020 (*) MEN | WOMEN | TOTAL |
|---|---|---|---|
| Executive directors | 2 | 0 | 2 |
| Senior managers | 13 | 1 | 14 |
| Executives | 143 | 10 | 153 |
| Managers/Professionals/Supervisors | 6,562 | 2,319 | 8,881 |
| Administrative/Support personnel | 554 | 585 | 1,139 |
| Manual workers | 8,459 | 276 | 8,735 |
| **TOTAL** | **15,733** | **3,191** | **18,924** |

(*) Restated figures (Note 1.15)

| DISCONTINUED OPERATIONS CATEGORY | 31/12/2021 MEN | WOMEN | TOTAL | VAR. 21/20 |
|---|---|---|---|---|
| Executive directors | 0 | 0 | 0 | 0% |
| Senior managers | 0 | 0 | 0 | 0% |
| Executives | 18 | 4 | 22 | -21% |
| Managers/Professionals/Supervisors | 6,598 | 1,952 | 8,550 | -3% |
| Administrative/Support personnel | 129 | 551 | 680 | -44% |
| Manual workers | 18,235 | 16,903 | 35,138 | -31% |
| **TOTAL** | **24,980** | **19,410** | **44,390** | **-27%** |

| DISCONTINUED OPERATIONS CATEGORY | 31/12/2020 (*) MEN | WOMEN | TOTAL |
|---|---|---|---|
| Executive directors | 0 | 0 | 0 |
| Senior managers | 0 | 0 | 0 |
| Executives | 23 | 5 | 28 |
| Managers/Professionals/Supervisors | 6,502 | 2,353 | 8,855 |
| Administrative/Support personnel | 356 | 862 | 1,218 |
| Manual workers | 31,549 | 19,546 | 51,095 |
| **TOTAL** | **38,430** | **22,766** | **61,196** |

(*) Restated figures (Note 1.15)

At 31 December 2021, there were 2,963 employees with a disability rating of 33% or more, including continuing and discontinued operations, accounting for 4.7% of the total workforce at year-end.

The average workforce by business division for the two periods being compared is as follows:

| BUSINESS | 31/12/2021 MEN | WOMEN | TOTAL | VAR. 21/20 |
|---|---|---|---|---|
| Construction | 14,344 | 2,777 | 17,121 | 2% |
| Toll roads | 316 | 152 | 469 | -3% |
| Airports | 32 | 14 | 46 | -5% |
| Other | 743 | 257 | 1,000 | -3% |
| **TOTAL CONTINUING OPERATIONS** | **15,435** | **3,200** | **18,636** | **1%** |
| **TOTAL DISCONTINUED OPERATIONS** | **37,476** | **22,424** | **59,899** | **-9%** |
| **TOTAL** | **52,911** | **25,624** | **78,535** | **-7%** |

| BUSINESS | 31/12/2020 (*) MEN | WOMEN | TOTAL |
|---|---|---|---|
| Construction | 14,132 | 2,722 | 16,853 |
| Toll roads | 328 | 154 | 482 |
| Airports | 31 | 18 | 49 |
| Other | 773 | 254 | 1,027 |
| **TOTAL CONTINUING OPERATIONS** | **15,264** | **3,148** | **18,411** |
| **TOTAL DISCONTINUED OPERATIONS** | **42,298** | **23,596** | **65,895** |
| **TOTAL** | **57,562** | **26,744** | **84,306** |

(*) Restated figures (Note 1.15)

## 2.4. EBITDA AND EBIT BEFORE IMPAIRMENTS AND DISPOSALS

EBITDA at 31 December 2021 amounted to EUR 596 million (31 December 2020: EUR 406 million), representing an increase of 47% compared to the previous year, primarily due to the improvements in the Toll Roads and Construction Divisions.

Fixed asset depreciation charges for 2021 totaled EUR 259 million as compared with EUR 233 million in the previous year.

The Management Report provides a detailed analysis of the way these line items have performed by business.

## 2.5. IMPAIRMENT AND DISPOSALS

The following section contains a breakdown of the main gains and losses relating to impairment and disposals:

Profit/(loss) recognized in 2021:

The amount recognized in respect of impairment and disposals in 2021 came to a total of EUR 1,139 million and primarily related to the following transactions:

- Acquisition by Cintra of an additional 5.704% of the concession operator I-66 Express Mobility Partners Hold. LLC (Note 1.1.4.). Following this acquisition, the ownership interest stands at 55.704% and the toll road is now fully consolidated since Cintra has control. This transaction entails recognizing a capital gain of EUR 1,101 million due to measuring Ferrovial's pre-existing 50% interest at fair value. The Total profit the operation is 1,117 million, as it includes 16 million recycling of conversion differences.
- Capital gain of EUR 17 million on the divestment of Ferrovial Construcción S.A.'s 19.86% interest in Nalanda to Nadina Luxco S.A.R.L. (EUR 17 million in Net profit).
- Sale of Ferrovial Construcción S.A.'s 22% interest in Urbicsa at a gain of EUR 16 million (EUR 16 million in Net profit).
- Capital loss of EUR -9 million incurred in September 2021 on the divestment of Figueras. Figueras was classified as held for sale up until August.

| | Impact on profit/(loss) before tax | | | Impact on net profit/(loss) |
|---|---|---|---|---|
| (Millions of euros) | 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 |
| **Income from capital gains and disposals** | **41** | **1,101** | **1,141** | **1,141** |
| 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** |

The gains/(losses) relating to impairment and disposals in 2020 essentially related to the following:

| | Impact on profit/(loss) before tax | | | Impact on net profit/(loss) |
|---|---|---|---|---|
| (Millions of euros) | Before fair value adjustments | Fair value adjustments | Total 2020 (*) | |
| Sale of Zity ownership interest | 2 | 5 | 7 | 7 |
| Sale of the stake in the Portuguese toll roads | -2 | 0 | -2 | -1 |
| **Income from capital gains and disposals** | **0** | **5** | **5** | **6** |
| Autema | 0 | 10 | 10 | 6 |
| **Impairment gains/(losses)** | **0** | **10** | **10** | **6** |
| **TOTAL IMPAIRMENT AND DISPOSALS** | **0** | **15** | **15** | **12** |

(*) Restated figures (Note 1.1.5)

## 2.6. NET FINANCIAL INCOME/(EXPENSE)

The following table gives a detailed, item-by-item breakdown of the changes in net financial income/(expense) in 2021 and 2020. The profit/(loss) generated by the infrastructure project companies is presented separately from the result of non-infrastructure project companies (see the definition in Note 1.1.2) and in each of them a further distinction is made between the financial income from financing (which includes the finance costs on credits and loans with credit institutions and bonds, and the returns on financial investments and loans granted) and the net financial income/(expense) from derivatives and other items, which includes the impact of the fair value measurement of ineffective hedges and other income and expenses not directly related to financing.

| Millions of euros | 2021 | 2020 (*) | Change (%) |
|---|---|---|---|
| Financial income from infrastructure project financing | 0 | 8 | -100% |
| Financial expense from infrastructure project financing | -220 | -252 | 13% |
| **Net financial income/(expense) from infrastructure project financing** | **-220** | **-244** | **10%** |
| Profit/(loss) on derivatives and other fair value adjustments from infrastructure projects (*) | -84 | 39 | 287% |
| Other net financial income/(expense) from infrastructure projects | -3 | -2 | -50% |
| **Other net financial income/(expense) from infrastructure projects** | **-87** | **37** | **305%** |
| **Total net financial income/(expense) from infrastructure projects** | **-307** | **-207** | **-43%** |
| Financial income from other company financing | 24 | 43 | -44% |
| Financial expense from other company financing | -50 | -51 | 2% |
| **Net financial income/(expense) from other company financing** | **-26** | **-8** | **-225%** |
| Profit/(loss) on derivatives and other fair value adjustments from other companies (*) | 1 | 5 | -80% |
| Net financial income/(expense) from other companies | -2 | -33 | -97% |
| **Other net financial income/(expense) from other companies** | **-1** | **-28** | **-100%** |
| **Total net financial income/(expense) from other companies** | **-27** | **-36** | **-28%** |
| **NET FINANCIAL INCOME/(EXPENSE)** | **-334** | **-243** | **-33%** |

(*) Included in the fair value column in relation to the net financial income/(expense) in the consolidated income statement for a total amount of EUR -83 million in 2021 and EUR 44 million in 2020.

(*) Restated figures (Note 1.1.5)

The following table provides a breakdown of infrastructure project companies financial expense, breaking down capitalized expenses from toll roads under construction:

| Infrastructure project financing expenses from infrastructures (Millions of euros) | 2021 | 2020 (*) |
|---|---|---|
| Accrued financial expenses | -257 | -270 |
| Expenses capitalized during the construction period | 37 | 26 |
| **Financial expenses in P&L** | **-220** | **-244** |

(*) Restated figures (Note 1.1.5)

The change in profit/(loss) from financing is explained mainly by the increase in capitalized expenses compared to 2020 (EUR 11 million), of which EUR 7 million relates to the concession company I-66, which was previously equity-accounted method and is now controlled and fully consolidated following the acquisition of an additional 5.704%.

- The main effect recognized under gains/(losses) on derivatives and other fair value adjustments to infrastructure projects relates to the speculative part of the index-linked swap (ILS) associated with the Autema project carried at a fair value of EUR -84 million (EUR -64 million in net profit/(loss)).
- The financial income from ex-infrastructure project companies in 2021 amounted to EUR -26 million (31 December 2020: EUR -8 million), relating to external borrowing costs (EUR -50 million) and financial income primarily obtained from financial investments (EUR 24 million). The change over 2020 is primarily due to the lower return from cash resources in Canada compared to the previous financial year.

- Other net financial income/(expense) from ex-infrastructure projects include the impact of derivatives and other fair value adjustments primarily relating to the impact of the derivatives not designated as hedges, including most notably, equity swaps arranged by the Group to hedge the impact on equity of variable share-based remuneration schemes (Note 6.7) with an impact of EUR 14 million due to the good performance of the share price in 2021, as well as the negative impact from the exchange rate hedges that the Group has contracted in Canadian dollars, pound sterling and US dollars.

Excluding the effects caused by derivatives, the remaining net financial income/(expense) from ex-infrastructure project companies are shown below:

| **Other net financial income/(expense) from ex-infrastructure project companies** (Millions of euros) | **2021** | **2020 (*)** | **Var. 21/20** |
|---|---|---|---|
| Cost of bank guarantees | -29 | -27 | -2 |
| Financial provision for transition to IFRS 9 | -1 | 0 | -1 |
| Late-payment interest | 6 | 9 | -3 |
| Foreign exchange differences | 12 | -27 | 39 |
| Interest on tax assessments | -6 | -7 | 1 |
| Security deposit income, associates | 12 | 19 | -7 |
| Other | 5 | 0 | 5 |
| **TOTAL** | **-1** | **-33** | **32** |

(*) Restated figures (Note 1.1.5)

The main change in relation to the previous year is explained by foreign exchange differences (EUR 39 million compared to December 2020), due basically to the company's US dollar cash resources and specifically to the adverse impact of the dollar's depreciation and trend during 2020. This year, the impact was positive due to the dollar's appreciation against the euro (Note 1.4). The "Other" sub-caption includes in 2021 the amount of the invoicing of guarantees for projects accounted for using the equity method (EUR 5 million).

Impact on cash flow: as can be observed in the following table, the difference between the net financial income/(expense) on financing and the interest cash flows reported in the cash flow statement is EUR 12 million.

| | **NET FINANCIAL INCOME/(EXPENSE) NOT CAPITALISED** | **INTEREST CASH FLOW** | **DIFFERENCE** |
|---|---|---|---|
| Infrastructure projects | -257 | -253 | -4 |
| Ex-infrastructure project | -26 | -42 | 16 |
| **TOTAL** | **-283** | **-295** | **12** |

This difference at the project level arose mainly in the US toll roads (NTE, LBJ, NTE Segment 3, I-77 and I-66), whose financing arrangements allow for the compounding of interest in the first years of the concession, as a result of which the interest is added to the principal and does not give rise to a cash outflow during the year, as well as accrued unmatured interest.

## 2.7. SHARE OF PROFITS OF EQUITY-ACCOUNTED COMPANIES

The share of the net profit of equity-accounted companies in 2021 amounted to EUR -178 million (2020: EUR -373 million). The detail of the most significant companies is as follows:

| **Profit/(loss) of equity-accounted companies** (Millions of euros) | **2021** | **2020** |
|---|---|---|
| HAH | -238 | -396 |
| 407 ETR | 52 | 33 |
| AGS | -20 | -51 |
| Other | 28 | 41 |
| **TOTAL** | **-178** | **-373** |

The loss of EUR -238 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 interest in the associate, the investor must 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 407 ETR toll road improved in relation to December 2020 (EUR 19 million) due to the effect on traffic of the gradual lifting of Covid-19 mobility restrictions during the year.

EUR -20 million (EUR -51 million in 2020) of the loss contributed for the year by AGS relates to the capital injection of GBP 17.5 million carried out following closure of the agreement to amend and extend the facility agreement on 18 June, whereby the shareholders undertook to make capital contributions and loans in proportion to their shareholdings (50%).

EUR 28 million on the "Other" line relates mainly to the results of the Slovakian toll road Zero-Bypass (EUR 5 million) and the Australian toll road Netflow OSARs (EUR 4 million), as well as the maintenance contract for Madrid Calle 30 (EUR 5 million) and the cleaning and maintenance services at Doha Airport in Qatar (EUR 4 million). The remaining projects had an impact of EUR 10 million.

Note 3.5 provides greater detail on the profit/(loss) of these companies.

## 2.8. CORPORATE INCOME TAX AND DEFERRED TAXES

### 2.8.1. Explanation of the corporate income tax expense for the year and the applicable tax rate

In 2021, income tax income was recognized in the amount of EUR 9 million (income of EUR 34 million in 2020).

To explain the reasonableness of this tax revenue is necessary to consider two effects:

- Income tax expense or income that is not related to the result for the year. Eliminating these impacts, we arrive at the adjusted tax expense for the year (EUR 26 million).
- Results that do not generate tax impact. Eliminating these effects, we would arrive at the Fiscal Result for the year (EUR -84 million).

Adjusted tax expense:

- Excluding an expense of EUR 17 million (EUR 44 million in 2020), which corresponds to items not related to the result for the year, and to regularizations of prior years' taxes (including regularization of deferred tax assets and liabilities) and provisions for tax litigation.

Excluding these impacts, the adjusted income tax income in relation to the results for the year would be EUR 26 million.

Tax results

Excluding from profit before tax (EUR 964 million) the result of the companies accounted for using the equity method (net loss of EUR -178 million), the positive result from the fair value revaluation of 50% of I-66 Express Mobility Partners amounting to EUR 1,117 million (see note 1.1.4) which has no tax impact and the remaining permanent differences (EUR -109 million), we would arrive at a tax result of EUR -84 million.

The aforementioned permanent differences mainly correspond to expenses or income for the year which, in accordance with the tax regulations applicable in each country, are not deductible (expenses) or taxable (income) in the year, nor are they expected to be deductible or taxable in future years. The cumulative balance of this item is EUR -109 million, the most significant adjustments being as follows:

- Losses primarily generated in international construction projects for which, in accordance with the prudence principle of accounting, no tax credit has been recognized (EUR 28 million).
- Non-taxable income due to the use of tax-loss carryforwards amounting to EUR -46 million.
- Exempt capital gains on the sale of shareholdings in the Construction Division (Urbicsa, Nalanda, Figueras), the Mobility Division (Car Sharing) and the Services Division (Nevasa) amounting to EUR -39 million (Note 1.1.4).
- Profit/(loss) on consolidation with no tax impact. This item relates to profit/(loss) derived from applying accounting consolidation criteria, which do not have any tax implication. The accumulated balance for this concept is an of EUR -38 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 solely at Ferrovial's percentage of ownership as these companies are taxed under pass-through tax rules; the shareholders of these companies are the taxpayers, at the percentage of ownership that they hold.

This tax result of -84 million euro would compare with adjusted income tax income of 26 million euro for the year, resulting in an effective income tax rate of 31%, which is in line with the rate applicable in the main countries in which Ferrovial operates.

| DECEMBER 2021 (Million euros) | SPAIN | UNITED KINGDOM | UNITED STATES | POLAND | CANADA | REST OF 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 permanent differences | -39 | -17 | -42 | -20 | 1 | 6 | -109 |
| **Taxable income** | **-132** | **-26** | **-15** | **104** | **10** | **-25** | **-84** |
| **Taxable expense for the year** | **57** | **6** | **10** | **-19** | **-3** | **-41** | **9** |
| Other adjustments | -23 | -1 | -6 | 0 | 0 | 47 | 17 |
| **Adjusted tax expense** | **34** | **5** | **4** | **-20** | **-3** | **6** | **26** |
| Effective rate applicable to taxable income | 25% | 20% | 25% | 19% | 26% | 24% | 31% |
| Effective national tax rate (*) | 25% | 19% | 23% | 19% | 26.5% | | |

(*) The country's effective tax rate is the result of combining the tax rates and taxes (federal, state and municipal) applicable in each country.

The following table includes the detail of the calculation of the effective tax rate for 2020.

| 2020 (Millions of euros) | SPAIN | UK | US | POLAND | CANADA | OTHER COUNTRIES (*) | TOTAL |
|---|---|---|---|---|---|---|---|
| **Profit/(loss) before tax** | **-72** | **-460** | **-76** | **115** | **45** | **21** | **-427** |
| Profit/(loss) from equity-accounted companies | -9 | 447 | 0 | 0 | -35 | -31 | 373 |
| Permanent differences | -1 | 18 | 13 | 28 | 4 | 36 | 98 |
| Profit/(loss) on consolidation with no tax impact | 0 | 0 | 20 | 0 | 2 | 8 | 30 |
| **Taxable income** | **-82** | **5** | **-44** | **143** | **16** | **35** | **74** |
| Tax expense for the year | 56 | 0 | 23 | -25 | -5 | -14 | 34 |
| Change to the prior-year tax evaluation | -37 | -1 | -11 | -2 | 1 | 6 | -44 |
| **Adjusted tax expense** | **20** | **-1** | **11** | **-27** | **-4** | **-9** | **-10** |
| Effective rate applicable to taxable income | 24% | 19 % | 26% | 19% | 25 % | 25% | 13% |
| Effective national tax rate | 25% | 19 % | 23% | 19% | 27 % | | |

(*) The country's effective tax rate is the result of combining the tax rates and taxes (federal, state and municipal) applicable in each country.

### 2.8.2 Detail of the current and deferred tax expense and the tax paid in the year

The breakdown of income tax expense for 2021 and 2020 distinguishes between current tax, deferred tax and changes due to the re-estimation of the recoverability of deferred tax assets, recovery being deemed probable based on the total balance of deferred tax liabilities in each jurisdiction (Note 2.8.1).

| (Millions of euros) | 2021 | 2020 |
|---|---|---|
| **Tax expense for the year** | **9** | **34** |
| Current tax expense | -31 | -70 |
| Deferred tax expense | 44 | 66 |
| Tax effect of consolidation adjustments on equity | 6 | -6 |
| Change to the prior-year tax evaluation | -10 | 44 |

The corporate income tax paid in the year, both for continuing and discontinued operations amounted to EUR 155 million, as shown in the note on cash flows (Note 5.3).

### 2.8.3. Movements in deferred tax assets and liabilities

The detail of the movements in the deferred tax assets and deferred tax liabilities in 2021 is as follows:

**ASSETS**

| (Millions of euros) | 2020 | Change to prior-year tax and others | Charged/Credited to profit and loss | Charged/ Credited to equity | Foreign exchange effect | 2021 |
|---|---|---|---|---|---|---|
| Tax credits | 129 | 5 | 47 | 0 | 9 | 191 |
| Differences between tax and accounting approach | 348 | -19 | -21 | -8 | 2 | 305 |
| Equity measurement differences | 110 | 4 | 4 | -29 | 0 | 90 |
| Other items | 16 | 9 | -61 | 0 | 1 | -36 |
| **TOTAL** | **604** | **-1** | **-31** | **-36** | **13** | **549** |

**LIABILITIES**

| (Millions of euros) | 2020 | Change to prior-year tax and others | Charged/Credited to profit and loss | Charged/ Credited to equity | Foreign exchange effect | 2021 |
|---|---|---|---|---|---|---|
| Deferred taxes, goodwill | 35 | 7 | -12 | -11 | 1 | 21 |
| Deferred tax adjustment fair value I-66 | 0 | 257 | 0 | 0 | -3 | 255 |
| Differences between tax and accounting approach | 317 | 0 | -59 | 1 | 14 | 271 |
| Equity measurement differences | 66 | 4 | 0 | -26 | 0 | 45 |
| Other items | 33 | 49 | -4 | 0 | 1 | 80 |
| **TOTAL** | **451** | **318** | **-75** | **-36** | **13** | **670** |

Existing deferred taxes as of December 31, 2021 are mainly due to mainly derive from:

Deferred Tax Assets:

#### a) Tax credits

These are tax credits that have not yet been used by companies in the Group.

This line item does not include all the existing tax credits, but rather only those that, based on the Group's projections, are expected to be able to be used in the short or medium term. The total balance recognized amounts to EUR 191 million, of which EUR 189 million relate to tax credits for tax loss carryforwards and EUR 2 million to 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 capitalized:

**Continuing operations**

| (Millions of euros) Country | Tax-loss carryforwards | Time-bar period | Maximum tax credit | Tax credit carried forward |
|---|---|---|---|---|
| Spanish consolidated tax group | 508 | No expiry date | 127 | 0 |
| US consolidated tax group | 1,091 | No expiry date | 229 | 146 |
| Canada | 105 | 2023-2042 | 28 | 11 |
| UK | 208 | No expiry date | 39 | 16 |
| Portugal | 72 | 2025-2032 | 16 | 2 |
| Other | 254 | 2022-No expiry date | 60 | 14 |
| **Total** | **2,238** | | **500** | **189** |

**Discontinued operations**

| (Millions of euros) Country | Tax-loss carryforwards | Time-bar period | Maximum tax credit | Tax credit carried forward |
|---|---|---|---|---|
| UK | 616 | No expiry date | 117 | 0 |
| Other | 4 | No expiry date | 1 | 1 |
| **Total** | **619** | | **118** | **1** |

#### Spanish tax consolidated group:

For the purpose of assessing the recoverability of tax loss carryforwards, a model has been made based on the latest available projections of expected results of the Group companies, from which, based on a prudent criterion, it has been decided not to record for accounting purposes all the tax credits, in view of the reasonable doubts that they may be recovered in the short or medium term. In 2021, unlike in 2020, this does not give rise to the accounting recognition of tax credits that would be permitted under IAS 12, as there is no excess of temporary differences on the liability side over temporary differences on the asset side (EUR 31 million in 2020).

#### US consolidated tax group:

Similarly to what is indicated in the previous paragraph, in order to assess the recoverability of tax loss carryforwards, a model has been used based on the latest available projections of expected results of the Group companies, on the basis of which it has been decided to record and provide for the difference between deferred assets and deferred liabilities. However, in 2021 and in accordance with the provisions of IAS 12, an amount of tax credits equivalent to the excess of temporary differences on the liability side over temporary differences on the asset side, amounting to EUR 17 million euros (EUR 14 million in 2020), has been recognized for accounting purposes.

#### UK:

Considering that tax loss carryforwards generated from April 1, 2017 can be used by any UK company of the Group, tax loss carryforwards of 16 million have been capitalized in continuing operations.

**b) Assets and liabilities arising from temporary differences between accounting and tax criteria**

This item relates to the tax impact resulting from the fact that the timing of recognition of certain expenses or income is different for accounting and tax purposes.

The recognition of an asset means that certain expenses have been recognized for accounting purposes before their recognition for tax purposes and therefore the company will recover the income or expense for tax purposes in future years.

The deferred tax assets include most notably:

- Provisions recognized for accounting purposes which do not have a tax effect until they are materialized (EUR 182 million).
- Deferred tax assets of EUR 134 million arising as a result of differences between the tax and accounting methods used to recognize income, mainly in the Construction Division.
- Accelerated depreciation and amortization for accounting purposes (EUR 4 million).

**c) Deferred taxes arising from equity measurement adjustments**

This reflects the cumulative tax impact resulting from measurement adjustments recognized in reserves. The impact appears as an asset or liability since there is generally no direct tax effect until the amount in reserves is recognized in profit/(loss).

The asset balance relates to accumulated losses in reserves that will have a tax impact when they are recognized in profit/(loss). Deferred tax assets primarily relate to financial derivatives amounting to EUR 90 million.

Deferred tax liabilities:

**a) Deferred taxes on goodwill**

Deferred tax liabilities related to the tax deduction of goodwill are included, amounting to EUR 21 million, mainly related to the amortization of the goodwill of Webber, LLC.

**b) Deferred tax liabilities due to fair value adjustment I-66 Mobility Partners**

Deferred tax liabilities related to differences between tax and book values are included:

- €218 million recognized for the difference between tax and book values following the revaluation on the assets of the I-66 toll road.
- EUR 37 million recognized as a result of valuing the concession debt at fair value.

These EUR 220 million and EUR 37 million have been recorded, as indicated in paragraph 66 of IAS 12, with a balancing entry of goodwill for the same amount (see note 1.1.4).

**c) Assets and liabilities arising from temporary differences between accounting and tax criteria**

A liability for this concept represents an expense recognized for tax purposes prior to its recognition for accounting purposes, or income recorded for accounting purposes prior to its recognition for tax purposes.

The balance of the liabilities relates mainly to:

- Deferred tax liabilities resulting from differences between tax and accounting amortization (EUR 176 million).
- Deferred tax assets of EUR 54 million arising as a result of differences between the tax and accounting methods used to recognize income in accordance with IFRIC 12, mainly in the Toll Road Division.

**d) Deferred taxes arising from equity measurement adjustments**

This reflects the cumulative tax impact resulting from measurement adjustments recognized in reserves. The impact appears as an asset or liability since there is generally no direct tax effect until the amount in reserves is recognized in profit/(loss).

The existence of deferred liabilities corresponds to profits pending to be realized for tax purposes. Most of these relate to deferred liabilities for financial derivatives amounting to EUR 45 million.

Deferred taxes on other items

**e) Deferred taxes relating to dividends pending payment by investees**

The Group has recognized EUR 41 million as a deferred tax liability relating to withholding tax on the repatriation of future dividends from Canada.

The detail
of the

| (Millions of euros) | 2019 | Change to prior-year tax and others | Charged/Credited to profit and loss | Charged/ Credited to equity | Foreign exchange effect | 2020 |
|---|---|---|---|---|---|---|
| Tax credits | 54 | 15 | 67 | 0 | -6 | 129 |
| Differences between tax and | 337 | 14 | 15 | 0 | -19 | 348 |
| Equity measurement differences | 115 | -4 | 0 | 0 | -1 | 110 |
| Other items | -3 | 15 | 5 | 3 | -1 | 16 |
| **TOTAL** | **502** | **39** | **87** | **3** | **-27** | **604** |

**LIABILITIES**

| (Millions of euros) | 2019 | Change to prior-year tax and others | Charged/Credited to profit and loss | Charged/ Credited to equity | Foreign exchange effect | 2020 |
|---|---|---|---|---|---|---|
| Deferred taxes, goodwill | 38 | 2 | -2 | 0 | -2 | 35 |
| Differences between tax and | 311 | -5 | 26 | 1 | -16 | 317 |
| Equity measurement differences | 115 | -1 | 0 | -47 | 0 | 66 |
| Other items | 12 | 28 | -2 | -4 | 0 | 33 |
| **TOTAL** | **475** | **23** | **21** | **-50** | **-18** | **451** |

### 2.8.4. Years subject 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 limitation period established by law has elapsed.

At present, the consolidated group is not undergoing a tax inspection by the Spanish authorities and has not been notified of the start of any inspection.

The following inspections are in progress internationally:

- The Canadian tax authorities have initiated an inspection of income tax for 2013 to 2017 on the company 4352238 Canada Inc. The Canadian tax inspectors question the deductibility in Canada of intragroup charges made by Cintra Services (Spain) for the provision of financial services, the transaction having been reclassified as a dividend. The regularization pending payment is estimated at EUR 5.73 million (CAD 8.3 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 Dutch tax authorities have questioned the existence of Ferrovial'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 (2020 CIT).

- The Chilean tax authorities have initiated an inspection of the Chilean company Transchile Charrua Transmisión SA for 2018 and 2019 in which they have questioned the deductibility of financial expenses on third-party financing transferred to the shareholder through intragroup loans, although no regularization proposal has currently been issued.

At 31 December 2021, 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. In 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

Income from discontinued operations for the year amounted to EUR 361 million (EUR 20 million in 2020), mainly related to the Services Division (EUR 246 million) and the Construction Division (EUR 115 million).

### Services Division

As discussed in Note 1.1.3, at 31 December 2021, and as in 2020, the Services division is classified to discontinued operations, the impact on the income statement of this line of business is now reported in one line item "net profit/(loss) from discontinued operations". This line also includes an impairment loss equal to the difference between the estimated fair value of the assets and their carrying amount.

The main impact recognized in discontinued operations relates to the divestments of the Environment Services business (Spain and Portugal), completed at the end of 2021, which generated a net capital gain of EUR 335 million, as described in Note 1.1.4. The Environment Services revenue includes the profit for the year of EUR 119 million.

For a better understanding of the results of the Services business and the way in which they have been included in the Group's consolidated results, the accompanying table provides a breakdown by line of profit/(loss) from this discontinued operation:

| (Millions of euros) | 2021 | 2020 (*) | VAR. |
|---|---|---|---|
| Revenue | 5,079 | 5,528 | -448 |
| **Operating profit/(loss)** | **265** | **-70** | **335** |
| Net financial income/(expense) | -25 | -40 | 15 |
| Share of profits of equity-accounted companies | 9 | 9 | -1 |
| Consolidated profit/(loss) before tax | 248 | -101 | 349 |
| Corporate income tax | -48 | -25 | -23 |
| Profit/(loss) after tax | 200 | -126 | 326 |
| Profit/(loss) for the year attributed to non-controlling interests | -3 | -2 | -1 |
| **Profit/(loss) for the year attributed to the parent company** | **197** | **-129** | **326** |
| Adjustments to discontinued operations | 49 | 113 | -63 |
| **Profit/(loss) from discontinued operations** | **246** | **-16** | **262** |

(*) Restated figures (Note 1.1.5)

Comparability of the various components of profit/(loss) from discontinued operations with respect to 2020 is affected, on the one hand, because 2020 only includes six months of the Services Australia business, and on the other hand, because 2021 does not include a full year of the Environment Services business or the oil and gas extraction services, sold at the end of 2021.

### Construction Division

On 22 February, an agreement was reached to sell the real estate business of the Budimex Group (B.N.I.), which was included in discontinued operations.

The result generated of EUR 115 million incorporates both the result until the company was removed from the consolidation perimeter (EUR 8 million) and the capital gain generated by the sale transaction (EUR 130 million) in the caption of impairment and disposal of fixed assets (EUR 107 million net of taxes). The impact for Ferrovial, net of the effect of minority interests, was EUR 53 million.

For a better understanding of the results of the Construction business and the way in which they have been included in the Group's consolidated results, the accompanying table provides a breakdown by line of profit/(loss) from this discontinued operation:

| Construction Division (millions of euros) | DEC. 2021 | DEC. 2020 (*) |
|---|---|---|
| Revenue | 56 | 151 |
| **EBITDA** | **9** | **44** |
| Fixed asset depreciation | 0 | -1 |
| **Operating profit/(loss) before impairment and disposal of fixed assets** | **9** | **43** |
| Impairment and disposal of fixed assets | 130 | 0 |
| **Operating profit/(loss)** | **139** | **43** |
| **Net financial income/(expense)** | **0** | **1** |
| Share of profits of equity-accounted companies | 0 | 0 |
| **Consolidated profit/(loss) before tax** | **139** | **44** |
| Corporate income tax | -24 | -9 |
| **Profit/(loss) after tax** | **115** | **35** |
| **Profit/(loss) from discontinued operations** | **115** | **35** |

(*) Restated figures (Note 1.1.5)

These results of EUR 115 million include both the amount recognized up to the company's exclusion from the consolidation scope (EUR 8 million) and the capital gain (EUR 130 million) generated by the transaction (EUR 107 million net of tax), on the line impairment and disposal of fixed assets. The impact for Ferrovial was EUR 53 million net of non-controlling interests.

## NOTES ON PROFIT/(LOSS) FROM NON-CONTROLLING INTERESTS, NET PROFIT/(LOSS) AND EARNINGS PER SHARE

### 2.10. PROFIT/(LOSS) FROM NON-CONTROLLING INTERESTS

In 2021 the profit/(loss) attributed to non-controlling interests amounted to EUR -138 million (December 2020: EUR -51 million).

This figure relates to the profits obtained by Group companies that may be allocated to other partners with a stake in the said companies. The figures shown as positive numbers refer to loss-making companies, while negative amounts relate to companies that generate profits.

| (Millions of euros) | 2021 | 2020 | VAR. 21/20 | NON-GROUP % |
|---|---|---|---|---|
| Budimex Group | -109 | -54 | -56 | 44.90% |
| Autop.Terrasa Manresa, S.A. | 14 | -11 | 25 | 23.70% |
| LBJ Infrastructure Group | 2 | 20 | -18 | 45.40% |
| NTE Mobility Partners | -25 | -12 | -13 | 37.1% |
| NTE Mobility Partners Segments 3 LLC | -20 | -8 | -12 | 46.3% |
| FAM Construction LLC | 7 | 16 | -10 | 30.0% |
| Sugar Creek Construction LLC | -1 | 8 | -9 | 30.0% |
| Other companies | -2 | -6 | 5 | |
| **TOTAL continuing operations** | **-134** | **-48** | **-86** | |
| **TOTAL discontinued operations** | **-3** | **-3** | **0** | |
| **TOTAL** | **-138** | **-51** | **-87** | |

The main change with respect to the previous year is the improvement in the Budimex Group's results (EUR 56 million) both due to the sale of the real estate business (BNI), as well as the favorable trend in the civil works business. Also of note is that US toll roads are performing positively, after traffic improved as mobility restrictions were lifted. This was all offset by the worsening of results recognized by Autema (down EUR 25 million) due to the fall in value of the inflation derivative when the speculative portion (37%) was taken to the income statement.

### 2.11. NET PROFIT/(LOSS) AND EARNINGS PER SHARE

The calculation of earnings per share attributed to the parent company is as follows:

| (Millions of euros) | 2021 | 2020 (*) |
|---|---|---|
| **Net profit/(loss) attributable to parent company (millions of euros)** | **1,197** | **-424** |
| Perpetual subordinated bond, net cost | -8 | -8 |
| **Net adjusted profit/(loss) attributed to the parent company (millions of euros)** | **1,189** | **-432** |
| Weighted average number of shares outstanding (thousands of shares) | 736,882 | 739,102 |
| Less average number of treasury shares (thousands of shares) | -5,110 | -6,826 |
| **Average number of shares to calculate basic earnings per share** | **731,772** | **732,277** |
| **Basic earnings per share (euros)** | **1.62** | **-0.59** |
| Net adjusted profit/(loss) from continuing operations | 966 | -401 |
| Basic earnings per share, continuing operations (euros) | 1.32 | -0.55 |
| Net profit/(loss) from discontinued operations | 361 | 20 |
| Basic earnings per share, discontinued operations (euros) | 0.49 | 0.03 |

(*) 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 at 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.

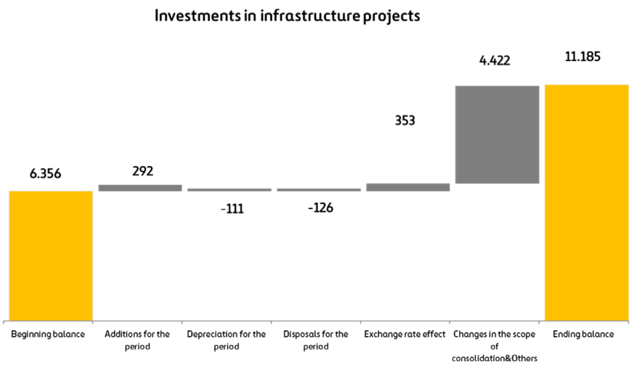
The earnings by business segment are shown in Appendix III.

# 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).

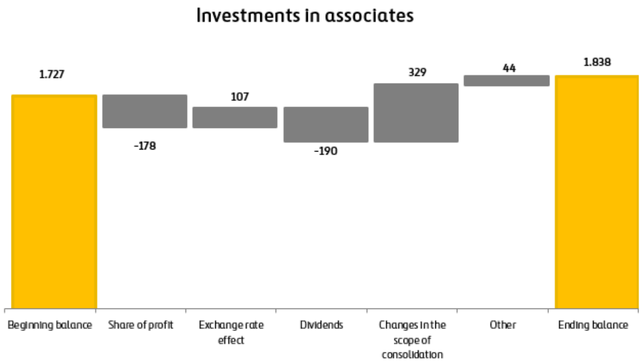
The main components of the non-current assets at December 2021 at Ferrovial are "fixed assets in infrastructure projects" amounting to EUR 11,185 million, accounting for 71% of total non-current assets (Note 3.3), "investments in associates" amounting to EUR 1,838 million (relating mainly to the investments in HAH and 407 ETR), accounting for 12% of total non-current assets (Note 3.5). The "goodwill on consolidation" (EUR 420 million) accounts for 3% of total non-current assets.

The main variation in "non-current assets" during the year relates to the takeover of the I66 toll road (Note 1.1.4), as a result of which the assets are fully consolidated and the relevant items are restated to fair value. This transaction increased Infrastructure Project Fixed Assets by EUR 4,432 million, also significant additions during the year (EUR 292 million) were mainly in the US toll roads, notably the North Tarrant Express Extension, the I-77 Mobility Partners LLC toll road and the I-66 Express Mobility Partners LLC toll road.




Besides the addition of I66, other changes in relation to the previous year relate primarily to the effect of the euro-US dollar exchange rate.

<u>Investments in associates</u> increased by EUR 111 million due to movements in capital caused by the acquisition of 24.86% of the company IRB Infrastructure Developers Limited (EUR 374 million), the change of consolidation method applied to the I66 toll road, which is now fully consolidated (EUR -45 million), the share of the losses of these companies (EUR -178 million), dividend payments of EUR -190 million (mainly 407 ETR) and the foreign exchange effect (EUR 107 million) due to the euro's depreciation against sterling and against the Canadian dollar.




As regards changes in goodwill, there was an increase of EUR 201 million, primarily from the acquisition of an additional 5.704% stake in the I-66 toll road (EUR 254 million).

## 3.1. GOODWILL AND ACQUISITIONS

The table below details the movements in goodwill in 2021:

| (Millions of euros) | BALANCES AT 31/12/2020 (*) | OTHER | EXCHANGE RATE | BALANCES at 31/12/2021 |
|---|---|---|---|---|
| **Construction** | **169** | **-60** | **6** | **115** |
| Budimex | 64 | 0 | 0 | 64 |
| Webber | 105 | -60 | 6 | 50 |
| **Toll roads** | **0** | **254** | **-3** | **251** |
| I-66 Express Mobility Partners Hold. LLC | 0 | 254 | -3 | 251 |
| **Energy efficiency** | **39** | **0** | **3** | **42** |
| Transchile | 39 | | 3 | 42 |
| **Services** | **12** | **0** | **1** | **13** |
| Ferrovial Services Infrastructure, Inc. | 12 | | 1 | 13 |
| **TOTAL** | **220** | **194** | **6** | **420** |

(*) Restated figures (Note 1.1.5)

### 3.1.1. Movements over the year

The following is a description of the main changes by type of movement:

#### Other

The main impact in the "Other" column relates to the goodwill on the fair value measurement of the concession asset following the acquisition of an additional 5.704% in the **concession operator I-66 Express Mobility Partners Hold. LLC** on 17 December 2021 (Note 1.1.4). The goodwill recognized on the acquisition, which amounts to EUR 254 million is essentially a balancing item for the tax effects described in Note 1.1.4, and Note 2.8, pursuant to IAS 12, paragraph 66.

In addition, as a result of the sale of the asphalt plant owned by Webber's company Southern Crushed Concrete, goodwill decreased by EUR 60 million.

#### Exchange rate

The other changes relate to foreign exchange rates, mainly in the Construction business, due to the appreciation of the 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 50 million and EUR 64 million, respectively, at 31 December 2021 (31 December 2020: EUR 105 million and EUR 64 million, respectively).

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 impairment test carried out indicates that there have been no significant changes in the operating assumptions of the business or in the determining factors of fair value, so it is estimated a level of slack similar to the one existing in previous years.

In the case of Budimex, since it is listed on the Warsaw Stock Exchange, the goodwill was tested for impairment by ascertaining whether the closing market price at 31 December 2021 of the Budimex share was higher than its carrying amount plus the allocated goodwill. The test did not show the existence of any impairment.

#### Impairment test results:

The quoted market price of the Budimex share at 31 December 2021 was 445% higher than its carrying amount, which amounts to EUR 122 million (compared to 716% in 2020).

#### B. Transchile goodwill:

There is also goodwill in Transchile, the company owning the power transmission lines in Chile.

Based on the goodwill impairment test findings, the buffer is 99% with respect to the carrying amount of EUR 60 million (2020: 58%). The flows were discounted at a 6.7% cost of equity (7.4% before taxes), which is in line with the rates used to calculate goodwill impairment in 2020.

#### C. Ferrovial Services Infraestructure Inc (FSNA) goodwill

Besides the Budimex, Webber and Transchile goodwill, there is goodwill relating to the company Ferrovial Services Infraestructure Inc., which is engaged in the maintenance of US infrastructures and was reclassified to continuing operations during the year, within the Construction segment.

Based on the goodwill impairment test findings, the existing buffer is 196% with respect to the carrying amount of EUR 40 million. The flows have been discounted at a 6.8% discount rate (7.0% before taxes).

#### D. Toll Roads Division goodwill (I-66):

As the restatement of the shareholding took place on the acquisition date (17 December 2021), there are no signs that the recoverable amount of the goodwill is below the value allocated as a result of the restatement.

## 3.2. INTANGIBLE ASSETS

At year-end 2021, the balance of intangible assets other than infrastructure projects amounted to EUR 126 million (2020: EUR 96 million).

This heading includes:

- "Rights on concessions" includes the rights to operate the concessions that are not classified as projects (see definition in Note 1.1.2). At 31 December 2021, the carrying amount of EUR 24 million (EUR 25 million at 31 December 2020) relates to the UK Waste Treatment activity.
- "Computer software" with a net value of EUR 16 million (31 December 2020: EUR 6 million), which primarily relates to Ferrovial Corporación S.A.
- "Customer contracts and commercial relations", relating to the net value of the commercial order book, customer databases and other intangible assets, in the amount of EUR 33 million (31 December 2020: EUR 37 million) essentially derived from the Budimex Services business included in the Construction Division (EUR 25 million).
- "Other intangible assets" consist primarily of licenses for the Parque Solar Casilla photovoltaic plant amounting to EUR 9.1 million, the easements of the Chilean power transmission lines amounting to EUR 33 million (EUR 18 million at 31 December 2020) and an intangible related to the UK waste treatment business (EUR 10 million).

- During the financial year, no significant fully depreciated assets have been written down.

The impact on cash flows (Note 5.3) from additions to intangible assets amounted to EUR -36 million.

## 3.3. INVESTMENTS IN INFRASTRUCTURE PROJECTS

### 3.3.1. Intangible asset model

| (Millions of euros) | BALANCE AT 01/01 | TOTAL ADDITIONS | TOTAL DISPOSALS | FOREIGN EXCHANGE EFFECT | CONSOLIDATION SCOPE CHANGES AND TRANSFERS | OTHER | BALANCE AT 31/12 |
|---|---|---|---|---|---|---|---|
| Spanish toll roads | 715 | 0 | -5 | 0 | 3 | 0 | 713 |
| US toll roads | 5,553 | 292 | -118 | 369 | 4,432 | 0 | 10,527 |
| Other toll roads | 391 | 0 | 0 | 0 | 0 | 0 | 391 |
| **Toll road investment** | **6,658** | **292** | **-123** | **369** | **4,435** | **0** | **11,632** |
| Accumulated depreciation/amortization | -484 | -111 | 0 | -21 | -2 | 0 | -617 |
| **Net investment in toll roads** | **6,174** | **181** | **-123** | **348** | **4,433** | **0** | **11,014** |
| Investment in other infrastructure projects | 15 | 0 | 0 | 0 | -12 | -3 | 0 |
| Depreciation/amortization of other infrastructure projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total net investment in other infrastructure projects** | **15** | **0** | **0** | **0** | **-12** | **-3** | **0** |
| **TOTAL INVESTMENT** | **6,674** | **292** | **-123** | **369** | **4,421** | **-3** | **11,632** |
| TOTAL DEPRECIATION/AMORTISATION AND PROVISION | -484 | -111 | 0 | -21 | -2 | 0 | -617 |
| **TOTAL NET INVESTMENT** | **6,190** | **181** | **-123** | **348** | **4,419** | **-3** | **11,014** |

- The most significant changes in 2021 were as follows:
  - Exchange rate fluctuations resulted in a change of EUR 348 million (2020: EUR -471 million) in the balances of these assets, the full amount of which was attributed to the change in the euro/US dollar exchange rate at the US toll roads (Note 1.4).
  - In the US Toll Roads activity, and as mentioned previously, there was an increase of EUR 4,432 million in the company I-66 Express Mobility Partners LLC, which was consolidated using the full consolidation method instead of the equity method during the year (Note 1.1.4).
  - There were gross Toll road additions of EUR 292 million, relating to US toll roads. Of these, the most significant involve the North Tarrant Express Extension for EUR 224 million (2020: EUR 128 million) and the I-77 Mobility Partners LLC toll road for EUR 18 million (2020: EUR 7 million) and the I-66 Express Mobility Partners LLC toll road for EUR 48 million.

In the case of the infrastructure project companies, all their concession assets have been pledged as security for the existing borrowings (Note 5.2). The borrowing costs capitalized in this connection in 2021 are detailed in Note 2.6.

The movements to these assets in 2020 were as follows:

| (Millions of euros) | BALANCE AT 01/01 | TOTAL ADDITIONS | TOTAL DISPOSALS | FOREIGN EXCHANGE EFFECT | CONSOLIDATION SCOPE CHANGES AND TRANSFERS | BALANCES AT 31/12 (*) |
|---|---|---|---|---|---|---|
| Spanish toll roads | 0 | 0 | 0 | 0 | 715 | 715 |
| US toll roads | 5,905 | 141 | -4 | -490 | 0 | 5,553 |
| Other toll roads | 391 | 0 | -0 | -0 | 0 | 391 |
| **Toll road investment** | **6,296** | **141** | **-4** | **-490** | **715** | **6,658** |
| Accumulated depreciation/amortization | -305 | -66 | 1 | 20 | -135 | -484 |
| **Net investment in toll roads** | **5,991** | **76** | **-2** | **-469** | **580** | **6,174** |
| Investment in other infrastructure projects | 5 | 12 | 0 | -2 | 0 | 15 |
| Depreciation/amortization of other infrastructure projects | 0 | 0 | 0 | 0 | 0 | 0 |
| Total net investment in other infrastructure projects | 5 | 12 | 0 | -2 | 0 | 15 |
| **TOTAL INVESTMENT** | **6,301** | **153** | **-4** | **-492** | **715** | **6,674** |
| TOTAL DEPRECIATION/AMORTISATION AND PROVISION | -305 | -66 | 1 | 20 | -135 | -484 |
| **TOTAL NET INVESTMENT** | **5,996** | **88** | **-2** | **-471** | **580** | **6,190** |

(*) Restated figures (Note 1.1.5).

### 3.3.2. Financial asset model

The assets accounted for using the financial asset model pursuant to IFRIC 12, mainly relate to long-term receivables (more than twelve months) from governments in return for services rendered or investments made under a concession arrangement. The movements in the years ended 31 December 2021 and 2020 were as follows:

| MOVEMENTS<br>(Millions of euros) | RECEIVABLES INFRASTRUCTURE PROJECTS 2021 | RECEIVABLES INFRASTRUCTURE PROJECTS 2020 (*) |
|---|---|---|
| **OPENING BALANCE** | **166** | **883** |
| Additions | 0 | 6 |
| Disposals | -4 | -9 |
| Transfers and other | 0 | -689 |
| Foreign exchange effect | 5 | -5 |
| Other | 1 | 0 |
| Reclass. to held for sale | 1 | -19 |
| **YEAR-END BALANCE** | **169** | **166** |

Note: balances shown net of provisions

(*) Restated figures (Note 1.1.5).

The 2020 comparative figures were restated due to the reclassification from discontinued to continuing operations of the UK Waste Treatment business in a net amount of EUR 76 million.

| CONCESSION OPERATOR | BALANCES AT 31/12/2021 | | |
|---|---|---|---|
| | LONG-TERM RECEIVABLES | SHORT-TERM RECEIVABLES | TOTAL |
| (Millions of euros) | | (Note 4.2) | 2021 |
| Concesionaria de Prisiones Lledoners | 56 | 1 | 57 |
| Depusa Aragón | 24 | 1 | 24 |
| Budimex Parking Wroclaw | 10 | 0 | 10 |
| **CONSTRUCTION** | **91** | **2** | **92** |
| AmeyCespa WM (East) Ltd | 80 | 0 | 80 |
| **WASTE UK** | **80** | **0** | **80** |
| **TOTAL GROUP** | **170** | **2** | **172** |

| | BALANCES AT 31/12/2020 (*) | | |
|---|---|---|---|
| CONCESSION OPERATOR | LONG-TERM RECEIVABLES | SHORT-TERM RECEIVABLES | TOTAL |
| (Millions of euros) | | (Note 4.2) | 2020 |
| Concesionaria de Prisiones Lledoners | 57 | 2 | 59 |
| Depusa Aragón | 24 | 1 | 25 |
| Budimex Parking Wroclaw | 10 | 0 | 10 |
| **CONSTRUCTION** | **92** | **3** | **95** |
| AmeyCespa WM (East) Ltd | 76 | 0 | 76 |
| **WASTE UK** | **76** | **0** | **76** |
| **TOTAL GROUP** | **168** | **3** | **171** |

(*) Restated figures (Note 1.1.5)

### 3.3.3 Impact on cash flows

The cash flow impact of the additions to projects, primarily accounted for using the intangible asset model amounted to EUR -239 million (Note 5.3), which differs from the additions recognized in the balance sheet, primarily due to the following reasons:

- In 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 the borrowing costs attributable to projects under construction, which do not generate cash outflows.
- In projects in which the financial asset model is applied, due to the increases in receivables as a balancing entry to income for services rendered, which do not generate cash inflows either.
- The impact on cash flows reflects movements associated with the discontinued operation, which are not recognized in the balance sheet due to being reclassified to held for sale.

## 3.4. PROPERTY, PLANT AND EQUIPMENT

The movements in "property, plant and equipment" in the statement of consolidated financial position were as follows:

| Movements during 2021 (millions of euros) | Land and buildings | Plant and machinery | Other installations, tooling and furniture | Total |
|---|---|---|---|---|
| **Investment: Balance at 01.01.2021 (*)** | **104** | **479** | **255** | **838** |
| Additions | 4 | 43 | 61 | 108 |
| Disposals | -12 | -114 | -42 | -168 |
| Consolidation scope changes | -2 | -7 | -7 | -16 |
| Foreign exchange effect | 4 | 10 | 12 | 26 |
| **Balances at 31.12.2021** | **98** | **411** | **279** | **788** |
| **Accumulated depreciation and impairment losses at 01.01.2021 (*)** | **-22** | **-313** | **-162** | **-497** |
| Depreciation charge | -6 | -28 | -25 | -59 |
| Disposals | 0 | 70 | 49 | 119 |
| Consolidation scope | 0 | 6 | 4 | 10 |
| Foreign exchange effect | -1 | -4 | 2 | -3 |
| Impairments | - | - | -10 | -10 |
| **Balances at 31.12.2021** | **-29** | **-269** | **-142** | **-440** |
| **Carrying amount 31.12.2021** | **69** | **142** | **137** | **348** |

(*) Restated figures (Note 1.1.5)

The most significant changes in 2021 were as follows:

Additions:

Of the total additions, amounting to EUR 108 million, the most significant arose at the Construction Division amounting to EUR 73 million in relation to specific construction machinery acquisitions and other installations, tooling and furniture.

The detail, by business segment, of the additions to property, plant and equipment is as follows:

| (Millions of euros) | 2,021 | 2,020 |
|---|---|---|
| | 2021 | 2020 |
| Construction | 73 | 63 |
| Toll roads | 2 | 3 |
| Other | 33 | 3 |
| **TOTAL** | **108** | **69** |

Impact on cash flow: The impact on cash flows arising from additions to property, plant and equipment amounted to EUR -121 million, of which EUR -50 million relates to the Construction Division and EUR -66 million arose from the Services Division. As outlined in Note 5.3, the cash flow reported includes cash flows from operating activities, investment and financing for discontinued operations and assets held for sale.

Disposals and withdrawals:

Disposals or retirements amounted to -168 million euro; of this amount, approximately 83 million euro relates to sales of property, plant and equipment at Webber, which reached an agreement for the sale of a substantial part of the assets of its subsidiary Southern South Concrete (SCC) for 43 million euro, and the sale of a tunnel boring machine at Ferrovial Construcción S.A. for 43 million euro. The remaining amount relates mainly to the disposal or retirement of fully depreciated or obsolete assets, with no significant impact on the consolidated income statement.

Other disclosures relating to property, plant and equipment:

The property, plant and equipment not used in operations are not material with respect to the final consolidated balances. Impairment losses on other items of property, plant and equipment total EUR 6 million (2020: EUR 15 million), associated with 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 the claims that might be filed against it for carrying on its business activities. These policies are considered to adequately cover the related risks.

The property, plant and equipment in the course of construction amount to EUR 55 million (2020: EUR 14 million).

At 31 December 2021, no significant property, plant or equipment items were subject to ownership restrictions or pledged as collateral for liabilities.

The following table shows the movements that occurred during 2020:

| Movements during 2020 (millions of euros) | Land and buildings | Plant and machinery | Other installations, tooling and furniture | Total |
|---|---|---|---|---|
| **Investment: Balance at 01.01.2020** | **84** | **485** | **204** | **773** |
| Additions | 2 | 37 | 30 | 69 |
| Disposals | -17 | -73 | -26 | -116 |
| Consolidation scope changes | 39 | 54 | 49 | 142 |
| Foreign exchange effect | -5 | -21 | -7 | -33 |
| **Balances at 31/12/2020** | **103** | **482** | **250** | **835** |
| **Accumulated depreciation and impairment losses at 01.01.20** | **-20** | **-316** | **-137** | **-473** |
| Depreciation charge | -3 | -24 | -20 | -47 |
| Disposals | 9 | 56 | 22 | 87 |
| Consolidation scope changes | -8 | -41 | -25 | -74 |
| Foreign exchange effect | 1 | 9 | 4 | 14 |
| **Balances at 31/12/2020** | **-22** | **-316** | **-156** | **-493** |
| **Carrying amount 31.12.2020** | **82** | **166** | **94** | **341** |

## 3.5. INVESTMENTS IN ASSOCIATES

The breakdown of investment in equity-accounted companies at 2021 year-end and of the movements therein are shown in the table below. Due to their significance, the investments in 407 ETR (43.23%), Heathrow Airport Holdings (HAH -25%), AGS (50%) and IRB (24.86%) are presented separately.

| 2021 (millions of euros) | 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** |

(*) Restated figures (Note 1.1.5)

The heading Scope changes reflects an impact of EUR 324 million due to the purchase of a 24.86% ownership interest in the Indian company IRB Infrastructure Developers for EUR 369 million, minus the effect of the change of consolidation method applied to I-66 (EUR -45 million) following the purchase of an **additional 5.704%** of the company, resulting in full consolidation.

Movements for the year also include the consolidated HAH losses, as indicated in Note 2.7. In 2021, the investment in that project was reduced to zero as losses for the year exceeded the carrying amount of the investment.

Impact on cash flow: The difference between the dividends of EUR 190 million in the foregoing table and the dividends of EUR 272 million disclosed in the cash flow statement (Note 5.3) relates mainly to interest received on loans granted to equity-accounted companies, recognized under non-current financial assets in the balance sheet (Note 3.6), to the effect of certain exchange rate hedges related to dividends received, as well as dividends received from Services projects.

The movements in this heading in the balance sheet in 2020 were as follows:

| 2020 (millions of euros) | HAH (25%) | 407 ETR (43.23%) | AGS (50%) | OTHER | TOTAL |
|---|---|---|---|---|---|
| **Balance at 31.12.19** | **690** | **1,422** | **57** | **405** | **2,575** |
| Share of profit/(loss) | -396 | 33 | -51 | 42 | -373 |
| Dividends | -29 | -158 | 0 | -17 | -205 |
| Foreign exchange differences | -33 | -92 | -3 | -5 | -133 |
| Pensions | -30 | 0 | -1 | 0 | -31 |
| Scope changes | 0 | 0 | 0 | -160 | -160 |
| Other | 3 | 0 | -2 | 52 | 53 |
| **Balance at 31.12.20 (*)** | **205** | **1,205** | **0** | **317** | **1,727** |

(*) Restated figures (Note 1.1.5)

### 3.5.1. Disclosures relating to HAH

#### b. Movements in the balance sheet and income statement 2021-2020

In view of the importance of this investment, the following is a summary of the balance sheet and income statement for this Group of companies, adjusted to bring them into line with Ferrovial's accounting policies, together with comments on the changes therein over the course of 2021.

The balance sheet figures shown relate to the full balances of HAH and are presented in pound sterling. The exchange rates used in 2021 are EUR 1=GBP 0.841330 (2020: GBP 0.895550) for the balance sheet figures and EUR 1=GBP 0.858575 (2020: GBP 0.888733) for the income statement figures.

| Balance sheet | Dec. 2021 | 2020.12 | Var. |
|---|---|---|---|
| **Non-current assets** | **16,373** | **16,823** | **-450** |
| Goodwill | 2,753 | 2,753 | 0 |
| Fixed assets in infrastructure projects | 12,542 | 13,076 | -534 |
| Rights of use of leased assets | 270 | 285 | -15 |
| Non-current financial assets | 44 | 42 | 2 |
| Pension plan surplus | 343 | 12 | 332 |
| Deferred taxes | 0 | 0 | 0 |
| Financial derivatives | 421 | 656 | -235 |
| Other non-current assets | 0 | 0 | 0 |
| **Current assets** | **3,144** | **4,572** | **-1,427** |
| Trade and other receivables | 186 | 462 | -276 |
| Financial derivatives | 24 | 146 | -122 |
| Cash and cash equivalents | 2,920 | 3,949 | -1,029 |
| Other current assets | 13 | 14 | -1 |
| **TOTAL ASSETS** | **19,517** | **21,395** | **-1,877** |

| HAH (100%) Millions of GBP | Dec. 2021 | Dec. 2020 | Var. |
|---|---|---|---|
| **Equity** | **-2,914** | **-1,586** | **-1,328** |
| **Non-current liabilities** | **21,057** | **20,637** | **420** |
| Pension provisions | 30 | 31 | -1 |
| Borrowings | 18,031 | 18,461 | -430 |
| Deferred taxes | 434 | 652 | -218 |
| Financial derivatives | 2,226 | 1,134 | 1,092 |
| Other non-current liabilities | 337 | 359 | -22 |
| **Current liabilities** | **1,374** | **2,344** | **-970** |
| Borrowings | 1,000 | 1,921 | -921 |
| Trade payables | 352 | 386 | -35 |
| Financial derivatives | 19 | 21 | -2 |
| Other current liabilities | 4 | 16 | -12 |
| **TOTAL LIABILITIES** | **19,517** | **21,395** | **-1,877** |

Equity

As indicated previously, the investment in this company was reduced to zero since the losses for the year exceeded the carrying amount and there is no commitment to inject additional funds (pursuant to 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.

| 2021 (millions of euros) | HAH (25%) |
|---|---|
| **Balance at 31.12.20** | **205** |
| Share of profit/(loss) | -238 |
| Pensions | 23 |
| Foreign exchange differences | 5 |
| Other | 5 |
| **Balance at 31.12.21 under IAS 28** | **0** |
| Result not consolidated under IAS 28 | -246 |
| Other equity effects not consolidated under IAS 28 | 70 |
| **Balance at 31.12.21 without IAS 28** | **-176** |

Borrowings

The borrowings of HAH (short and long-term) amounted to GBP 19,031 million at 31 December 2021, an decrease of GBP 1,351 million with respect to the prior year (31 December 2020: GBP 20,382 million). This change is explained mainly by the following impacts:

- The GBP 1,600 million funding plan for 2021 was completed in early October, with a CAD 325 million drawdown on the 12-year Class A bond issued at the start of the year and a GBP 50 million Class B private placement. These successful transactions reflect continued investor confidence in the airport's strength and resilience. The additional funding means that forecast commitments to February 2023 in the extreme no-revenue stress scenario, or well into 2025 based on traffic levels currently forecast. This includes forecast operating costs and capital investments, debt servicing, debt maturities and reimbursements. This liquidity position takes into account GBP 2,625 million in cash resources, undrawn debt and Heathrow Finance plc's liquidity at 31 December 2021.
- Amortization and a bond issue in the amount of GBP -1,119 million and GBP 1,582 million respectively, as well as a net variation of GBP -1,526 million in bank borrowings.
- Decrease of GBP -351 million as a result of fair value adjustments to and the exchange rate of foreign currency bonds issued.
- Other movements amounting to GBP 62 million (mainly accrued unmatured interest and fees).

Financial derivatives at fair value

The notional principal amount of HAH's derivatives portfolio at 31 December 2021 totaled GBP -18,634 million, including interest rate derivatives (IRSs) with a notional amount of GBP 7,500 million (hedging floating-rate borrowings), cross-currency swaps (hedging bonds issued in foreign currencies) with a notional amount of GBP 5,427 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 rate based on inflation, for the purpose of hedging variations in the regulatory asset base (RAB) caused by changes to the inflation rate.

## Income statement 2021-2020

The following table shows HAH's income statement movements in 2021 and 2020.

| HAH (100%) Millions of GBP | 2021 | 2020 | Var. |
|---|---|---|---|
| Operating income | 1,214 | 1,175 | 39 |
| Operating expenses | -858 | -1,087 | 229 |
| **EBITDA** | **357** | **89** | **268** |
| Fixed asset depreciation | -828 | -848 | 20 |
| Operating profit/(loss) before impairment and disposals | -472 | -759 | 288 |
| Impairment and disposal of fixed assets | 0 | 0 | 0 |
| **OPERATING PROFIT/(LOSS)** | **-472** | **-759** | **288** |
| Net financial income/(expense) | -1,509 | -855 | -654 |
| Profit/(loss) before tax | -1,981 | -1,614 | -367 |
| Corporate income tax | 319 | 206 | 113 |
| Profit/(loss) from continuing operations | -1,662 | -1,408 | -254 |
| Profit/(loss) from discontinued operations | 0 | 0 | 0 |
| **Net profit/(loss)** | **-1,662** | **-1,408** | **-254** |
| **25% Profit/(loss) attributable to Ferrovial (millions of euros)** | **-484** | **-396** | **-88** |
| **Profit/(loss) attributable to Ferrovial under IAS 28 (millions of euros)** | **-238** | **-396** | **158** |

Note 2.7 and the Management Report describe in detail the various items explaining HAH's results. The amount of EUR -484 million corresponds to Ferrovial before applying IAS 28.

### 3.5.2. Disclosures relating to 407 ETR

As with HAH, given that Ferrovial's stake in the 407 ETR was remeasured when control was lost, and the implicit existence of goodwill was considered, pursuant to the contents of page 40 et seq. of IAS 28, the possible existence of indications of impairment is assessed on an annual basis.

#### a. Impairment analysis

This asset performed well in 2021, with revenue growing by 13%, and EBITDA growing by 16%. In 2021, vehicle traffic has continued to be affected by COVID-19 (Note 1.2), although the trend was positive as restrictions were lifted and the situation improved, despite the new variants. December 2021 was +49.7% up on December 2020, but still well below 2019 (-23.0%)

The measurement that Ferrovial made of this concession, which includes estimated pandemic effects, shows a very large buffer over its book value. Sensitivity to increased revenues and the discount rate has been measured, and a broad buffer is maintained.

The recoverable amount of a concession operator with an independent financial structure and limited duration was calculated by discounting the cash flows to be received by shareholders until the end of the concession term, 2098 in the case of 407 ETR. The Group considers that value in use must be obtained using models that cover the entire concession term, as the asset is in different phases of investment and growth and there is sufficient visibility to use a specific economic and financial plan during the concession term.

The cost of own resources (or equity cost) was calculated in accordance with the CAPM model. To calculate the discount rate, a risk-free rate was used, which referenced the 30-year bond in Canada, a beta coefficient reflecting the asset's leverage and risk, and a market premium of 6.0% (same as last year) are used. The result is a discount rate after tax (equity cost, or Ke) of 6.0% (7.4% before taxes).

Based on the evaluation performed, as well as the sensitivity analyses (primarily focusing on revenue growth and an increase in the discount rate), no signs of impairment were identified.

### b. Movements in the balance sheet and income statement 2021-2020

These figures relate to the full balances of the Company and are presented in millions of Canadian dollars. The exchange rates used in 2021 are EUR 1=CAD 1.43726 (2020: CAD 1.56087) for the balance sheet figures and EUR 1=CAD 1.47898 (2020: CAD 1.53765) for the income statement figures.

### Balance Sheet 2021-2020

| 407 ETR (100%) (Millions of CAD) | 2021 | 2020 | Var. |
|---|---|---|---|
| **Non-current assets** | **4,574** | **4,598** | **-24** |
| Fixed assets in infrastructure projects | 3,995 | 4,016 | -20 |
| Non-current financial assets | 522 | 580 | -59 |
| Deferred taxes | 57 | 2 | 55 |
| **Current assets** | **767** | **1,054** | **-288** |
| Short-term trade and other receivables | 229 | 173 | 56 |
| Cash and cash equivalents | 537 | 881 | -344 |
| **Total assets** | **5,341** | **5,652** | **-312** |
| **Equity** | **-5,092** | **-4,703** | **-388** |
| **Non-current liabilities** | **9,918** | **10,154** | **-236** |
| Borrowings | 9,354 | 9,603 | -249 |
| Deferred taxes | 564 | 551 | 12 |
| **Current liabilities** | **514** | **201** | **313** |
| Borrowings | 427 | 124 | 302 |
| Short-term trade and other payables | 87 | 77 | 11 |
| **Total liabilities** | **5,341** | **5,652** | **-312** |

Below is a description of the main changes in the balance sheet of 407 ETR at 31 December 2021 compared to the previous year:

Equity

Equity fell by CAD 388 million with respect to 2020, as a result of the inclusion of the profit for the year of CAD 212 million and the reduction of CAD 600 million due to the payment of dividends to shareholders.

43.23% of the shareholders' funds of the subsidiary does not relate to the consolidated carrying amount of the holding, since the latter also includes the amount of the gain arising from the remeasurement at fair value of the investment retained following the sale of a 10% ownership interest in this company in 2010, recognized as an addition to the value of the investment, 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, in order to obtain the consolidated carrying amount at Ferrovial, it is necessary to increase the 43.23% of shareholders' funds presented above (CAD -2,201 million) by the amounts of the aforementioned gain and of the goodwill (CAD 2,579 million and CAD 1,319 million, respectively), giving a total of CAD 1,697 million which, translated at the year-end exchange rate (EUR 1 = CAD 1.43726), is equivalent to the investment of EUR 1,181 million.

Borrowings

Overall financial debt (short and long term) increased in relation to December 2020 by USD 54 million due to the effect of rising inflation on index-linked debt instruments.

### Income statement 2021-2020

The following table shows the income statement movements of 407 ETR in the years ended December 2021 and December 2020:

| 407 ETR (100%) (Millions of CAD | 2021 | 2020 | Var. |
|---|---|---|---|
| Operating income | 1,023 | 909 | 115 |
| Operating expenses | -164 | -169 | 5 |
| **EBITDA** | **859** | **740** | **119** |
| Fixed asset depreciation | -102 | -97 | -5 |
| **Operating profit/(loss)** | **757** | **642** | **114** |
| Net financial income/(expense) | -465 | -441 | -24 |
| Profit/(loss) before tax | 291 | 201 | 90 |
| Corporate income tax | -79 | -53 | -26 |
| **Net profit/(loss)** | **212** | **148** | **65** |
| Profit/(loss) attributable to Ferrovial (millions of CAD) | 92 | 64 | 28 |
| Adjustment to depreciation/amortization following loss of control (Millions of CAD) | -15 | -13 | -1 |
| **Adjusted net profit/(loss) attributable to Ferrovial (43.23% in millions of CAD)** | **77** | **51** | **26** |
| **Adjusted net profit/(loss) attributable to Ferrovial (43.23% in millions of EUR)** | **52** | **33** | **19** |

The main change in the income statement relates to operating income (CAD 115 million) as a result of the growth in traffic during the year as restrictions were lifted, despite the new variants.

It should be noted that the profit/(loss) attributable to Ferrovial also includes the depreciation and amortization over the concession term of the remeasurement recognized following the loss of control of the company as a result of the sale in 2010 mentioned above.

Therefore, CAD -15 million of amortization would have to be deducted from the 43.23% of the local profit (CAD 92 million). Translating the resulting CAD 77 million at the average exchange rate (USD 1 = CAD 1.47898) gives the EUR 52 million allocable to Ferrovial in 2021 (Note 2.7). In 2020 (EUR 1 = CAD 1.53765) gives the EUR 33 million attributed to Ferrovial the year before (Note 2.7).

### 3.5.3. Disclosures relating to AGS

Under other equity-accounted assets, the most noteworthy is the 50% ownership interest in the share capital of the company AGS, which owns Aberdeen, Glasgow and Southampton airports in the UK.

The three airports have been significantly affected by COVID-19, although, as mentioned in Note 1.2, passenger volumes have increased slightly (6%) on 2020.

The integration of these losses incurred from these impacts reduced the shareholding value to zero at both December 2020 and December 2021. However, in June, as a result of the debt renegotiation process, Ferrovial increased its contribution to the company's capital by GBP 17.5 million, an amount that has been fully impaired in accordance with IAS 28, paragraph 36 ("If an investor's share of losses of an associate equals or exceeds its interest in the associate, the investor discontinues recognizing its share of further losses").

The following table shows movements in the 50% 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.

| 2021 (millions of euros) | AGS (50%) |
|---|---|
| **Balance at 31.12.20** | **0** |
| Share of profit/(loss) | -20 |
| Other | 20 |
| **Balance at 31.12.21 under IAS 28** | **0** |
| Result not consolidated under IAS 28 | -71 |
| Other equity effects not consolidated under IAS 28 | 10 |
| **Balance at 31.12.21 without IAS 28** | **-60** |

In addition, as indicated in Note 3.6, the company was granted a subordinated loan from Ferrovial for a nominal amount of GBP 123 million falling due in June 2024, excluding the provision for expected losses, recorded in accordance with IFRS9 for a cumulative amount of GBP 9.8 million. The shareholders made a commitment to grant additional funding of GBP 25 million each, which was paid in 2021 (see point iii. below).

Agreement to modify and extend the AGS syndicated loan

On 18 June, AGS entered into the agreement with a syndicate of banks to modify 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 main terms and conditions of the agreement are as follows:

i. The loan amount is reduced to the amount drawn down.

ii. The maturity date is put back to June 2024.

The shareholders will contribute capital and loans in proportion to their ownership interest (50%). In the case of Ferrovial's 50% interest, this entails injecting capital of GBP 17.5 million and a shareholder loan of the same amount. The total value of the loan granted by Ferrovial is therefore GBP 123 million: An initial GBP 98 million plus the additional GBP 17.5 million resulting from the financing process, together with interest of GBP 7 million accrued during the period (see Note 8.1.1 on recoverability).

iv. On 18 June, AGS repaid the loan of GBP 50 million (GBP 25 million for Ferrovial) granted in November 2020 and drawn down during the first quarter of 2021.

v. An additional commitment to inject GBP 15 million (by each shareholder) to cover the fulfilment of certain liquidity conditions to the 2024 maturity date of the loan granted. It is important to note that this is Ferrovial's only commitment to contribute additional capital.

vi. A monthly minimum liquidity requirement is stipulated.

vii. The interest rates are revised and tied to SONIA, plus certain spreads over the term of the debt extension.

viii. Compliance with the financial covenants is waived for 30 June 2021, 31 December 2021 and 30 June 2022.

Following the refinancing operation, the Company has reassessed the recoverability of the total shareholder loan, concluding that it is recoverable on the basis of projections updated to account for the refinancing agreement.

### 3.5.4 Consolidation of IRB

On 29 December 2021 Ferrovial completed the acquisition, through its Dutch subsidiary Cintra INR Investments BV, of 24.86% of the Indian company IRB Infrastructure Developers Limited by subscribing for a preferred capital increase in the amount of EUR 369 million.

IRB's financial statements as at September 2021 can be found in Note 1.1.4.

### 3.5.5. 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.

The movements in 2021 in the investments in these companies were as follows:

| 2020 | OTHER |
|---|---|
| **Balance at 31.12.20** | **317** |
| Share of profit/(loss) (Note 2.7) | 28 |
| Dividends | -15 |
| Foreign exchange differences | -2 |
| Consolidation scope change | -45 |
| Other | -3 |
| **BALANCE AT 31.12.21** | **280** |

The share of profit/(loss) most notably includes the contributions of the joint ventures of Portuguese toll roads (EUR 28 million), the maintenance and cleaning contract at Doha Airport (FMM Company, EUR 4 million) less the contribution of mobility (EUR -6 million).

Dividends received relate to Toll Roads in the amount of EUR 12 million (primarily from Empresa de Mantenimiento y Explotación M-30, S.A., EuroScut Algarve, S.A. and A66 Benavente-Zamora), as well as to Airports (EUR 3 million relating 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

The movements at 31 December 2021 were as follows.

| MOVEMENTS IN 2021 (Millions of euros) | LONG-TERM LOANS IN ASSOCIATES | RESTRICTED CASH FROM INFRASTRUCTURE PROJECTS AND OTHER FINANCIAL ASSETS | FINANCIAL INVESTMENTS CARRIED AT FAIR VALUE | OTHER LONG-TERM RECEIVABLES | TOTAL |
|---|---|---|---|---|---|
| **BALANCE AT 01.01.2020 (*)** | **164** | **654** | **15** | **25** | **857** |
| Additions | 63 | 17 | 24 | 14 | 117 |
| Disposals | -3 | -136 | 0 | -12 | -151 |
| Transfers and other | 0 | 0 | 0 | 0 | 0 |
| Foreign exchange effect | 4 | 45 | 2 | 6 | 56 |
| Scope changes | 0 | 0 | 0 | 0 | 0 |
| **BALANCE AT 31/12/2021** | **228** | **579** | **40** | **32** | **879** |

Note: balances shown net of provisions

(*) Restated figures (Note 1.1.5)

- The item "Long-term loans to associates" relates essentially to the loans of GBP 123 million granted to AGS (EUR 146 million) (Note 3.6.1.), and to other ordinary loans to associates totaling EUR 93 million (EUR 64 million in 2020); the variation relates to the loan granted to Zero Bypass by Cintra Slovakia.
- "Restricted cash relating to infrastructure projects 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 payment of future investments or operating expenses and debt servicing. Specifically, the net reduction of EUR -75 million primarily relates to NTE Mobility Partners Segments 3 LLC (EUR -64 million, due essentially to payments on segment 3C investments) and to LBJ Infrastructure Group (a net amount of EUR -27 million due to project dividend payments of USD 360 million, once the contractual deadlines were net allowing pay-out).
- The Note on the net cash position provides details of the main balances and changes recognized in relation to this line item.
- The main movement under "Financial investments carried at fair value" is mainly due to cash disbursement of EUR 18.5 million and fair value adjustments of EUR 4.3 million. Cash disbursement included the acquisition of a 0.5% interest in the institutional tranche of Lilium's US flotation for EUR 12.6 million. Fair value adjustments are due to the positive valuation of funds related to technology and innovation sectors in which the Group has invested (EUR 7.8 million), less the value of Lilium (EUR -3.5 million).
- Lastly, "Other receivables" includes:
    - Other trade receivables, mainly from various public authorities in connection with long-term contracts.
    - Interests in investment funds amounting to EUR 14 million, particularly 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 liquidation. The amount invested is regarded as recoverable, EUR 14 million having been reclassified to the long term, representing the portion of the fund that is expected to be recovered after more than one year. The item "Other short-term financial assets" includes an additional EUR 6 million that is expected to be recovered in less than one year, so the total investment in the fund pending recovery is EUR 20 million.
    - Long-term deposits and guarantees amounting to EUR 5 million (December 2020: EUR 15 million).

### 3.6.1. Loan granted to AGS

As indicated in Note 3.5.3, Ferrovial has granted a subordinated loan of GBP 123 million (EUR 146 million) to the company AGS, not including the provision for expected losses recognized under IFRS 9 in a cumulative amount of GBP 9.8 million (EUR 11.6 million). The company's other shareholder has granted a loan 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 as the vaccination process takes effect. 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 2020 and 2021 have allowed the Company to end the year with a positive position of liquidity. Projections show that the available liquidity would be sufficient to keep running the business based on estimated traffic levels.
- Bank borrowing situation: Following the agreement of 18 June 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 1.5 million (EUR 2.4 million) has been set up in accordance with IFRS 9.

For information purposes, the movements in these line items in 2020 are detailed below:

| MOVEMENTS IN 2020 (Millions of euros) | LONG-TERM LOANS IN ASSOCIATES | RESTRICTED CASH FROM INFRASTRUCTURE PROJECTS AND OTHER FINANCIAL ASSETS | OTHER LONG-TERM RECEIVABLES | TOTAL |
|---|---|---|---|---|
| **BALANCE AT 01.01.2019** | **170** | **970** | **106** | **1,246** |
| Additions | 16 | 1,614 | 12 | 1,642 |
| Disposals | -11 | -1,868 | -1 | -1,880 |
| Transfers and other | 0 | 0 | -76 | -76 |
| Foreign exchange effect | -11 | -63 | -1 | -75 |
| Reclassification to discontinued operations | 0 | 0 | 0 | 0 |
| **BALANCE AT 31/12/2020 (*)** | **164** | **654** | **40** | **857** |

(*) Restated figures (Note 1.1.5)

### 3.7. RIGHTS OF USE OF LEASED ASSETS AND ASSOCIATED LIABILITIES

This Note details the right-of-use assets recognized under IFRS 16 Leases and the liabilities associated with them.

Note 1.3.1.b) details the accounting policy affecting lease agreements. IFRS 16 affects the group for those agreements in which it acts as a lessee.

Set out below are movements in right-of-use assets in the balance sheet:

| MOVEMENTS IN 2021 (Millions of euros) | LAND | BUILDINGS | VEHICLES | PLANT AND MACHINERY | OFFICE EQUIPMENT AND OTHER | TOTAL |
|---|---|---|---|---|---|---|
| **BALANCE AT 31/12/2020** | **5** | **52** | **63** | **14** | **3** | **137** |
| **Additions** | 9 | 34 | 24 | 13 | 3 | 83 |
| **Disposals** | -1 | -1 | -2 | -2 | -0 | -6 |
| **Transfers and other** | 0 | 0 | 0 | 0 | 0 | 0 |
| **Depreciation/ amortization** | -2 | -19 | -27 | -14 | -2 | -63 |
| **Consolidation scope changes** | -0 | -1 | -0 | -0 | 0 | -1 |
| **Foreign exchange effect** | 0 | 1 | 4 | 1 | 0 | 6 |
| **BALANCE AT 31/12/2021** | **12** | **67** | **62** | **12** | **1** | **156** |

The Group primarily has lease agreements for buildings, vehicles and technical installations and machinery. Buildings provide the greatest right-of-use asset value and primarily relate to the offices of the different long-term businesses.

The most significant variations in the heading relates to additions totaling EUR 83 million, of which EUR 38 million is associated with Construction Division leases (essentially in Webber, United Kingdom and Spain).

As a balancing item for the rights of use in the amount of EUR 156 million, the lease liabilities amount to EUR 159 million, of which EUR 108 million is carried as a long-term item and EUR 51 million as a short-term item.

The movements in 2021 related to lease liabilities associated with contracts in force were as follows:

| | LEASE LIABILITIES |
|---|---|
| **BALANCE AT 31/12/2020** | **161** |
| Additions due to new contracts | 81 |
| Associated financial expenses | 6 |
| Disposals due to payments | -74 |
| Foreign exchange effect | 6 |
| Consolidation scope changes and other | -20 |
| **BALANCE AT 31/12/2021** | **159** |
| **Long-term lease liabilities** | **108** |
| **Short-term lease liabilities** | **51** |

Financial expenses associated with lease agreements amounted to EUR 6 million at 31 December 2021. Lease payments in 2021 amounted to EUR -74 million (Note 5.3).

Below, future debt maturities are analyzed in each business area at 31 December 2021.

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 AND BEYOND | TOTAL |
|---|---|---|---|---|---|---|---|
| Corporation | 2 | 2 | 2 | 2 | 2 | 10 | 21 |
| Construction | 37 | 22 | 12 | 6 | 3 | 10 | 90 |
| Toll roads | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Airports | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| Services | 11 | 10 | 9 | 8 | 4 | -4 | 38 |
| Energy Infr. & Mobility | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| Waste Treatment | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| **TOTAL LEASE LIABILITIES** | **51** | **35** | **25** | **17** | **10** | **21** | **159** |

At 31 December 2021, lease expenses in the income statement amounted to EUR 228 million (2020: EUR 221 million) and relate to the following items:

a. Lease expenses that although comply with the definition of leases under IFRS 16, fall within some of the exceptions of the application of the standard. In this regard, given the nature of the Group business, assets are normally leased for periods of less than one year or are considered to be low value, to undertake the different phases of a project (less than EUR 5,000).

b. Lease expenses that are not within the scope of IFRS 16, primarily because the rented assets are not identified individually and are easily substitutable by the supplier.

This amount includes the variable payments not included in the value of the liability, which amounts to EUR 1 million.

# SECTION 4: WORKING CAPITAL

This section contains the Notes on inventories (Note 4.1), short-term trade and other receivables (Note 4.2), as well as short-term trade and other payables (Note 4.3). The net balance of these items is called working capital.

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Inventories | 699 | 13 | -357 | 50 | 405 |
| Short term trade and other receivables | 1,367 | 10 | -29 | -31 | 1,317 |
| Short-term trade and other payables | -3,115 | -56 | 461 | -83 | -2,793 |
| **TOTAL** | **-1,049** | **-33** | **75** | **-64** | **-1,071** |

(*) Restated figures (Note 1.1.5)

Section 4.4 includes a more detailed analysis of the items in the balance sheet relating to recognition of revenues from contracts with customers in the Construction business, including the disclosures required under IFRS 15 in relation to these contracts.

## 4.1. INVENTORIES

The inventories balance at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Goods purchased for resale | 377 | 0 | -357 | 22 | 42 |
| Raw materials and other supplies | 264 | 9 | 0 | 3 | 276 |
| Bidding and mobilization costs | 58 | 4 | 0 | 25 | 87 |
| **Inventories** | **699** | **13** | **-357** | **50** | **405** |

(*) Restated figures (Note 1.1.5)

As regards inventories of goods purchased for resale, of particular note is the impact of the scope exclusion of the Polish real estate activity (EUR 357 million). A balance of EUR 42 million is recognized in the balance sheet at 31 December 2021, relating primarily to the Construction business (EUR 30 million).

EUR 276 million of raw materials and other supplies primarily relate to the Construction Division, mainly at its subsidiaries in the US, amounting to EUR 139 million (2020: EUR 140 million) and at Budimex amounting to EUR 93 million (2020: EUR 93 million).

Both for bid and mobilization costs, amortization is carried out systematically, in accordance with the transfer of goods and services to which the asset corresponds. In 2021, EUR 15 million of bidding costs and EUR 1 million of mobilization costs were amortized.

## 4.2. SHORT-TERM TRADE AND OTHER RECEIVABLES

The detail of "short-term trade and other receivables" at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Trade receivables for sales and services | 1,019 | 9 | -25 | 42 | 1,045 |
| Other receivables | 348 | 1 | -4 | -73 | 272 |
| **TOTAL RECEIVABLES** | **1,367** | **10** | **-29** | **-30** | **1,317** |

(*) Restated figures (Note 1.1.5)

### a) Trade receivables for sales and services

The detail of "balances with customers" at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Trade receivables | 869 | 8 | -25 | -51 | 801 |
| Bad debt provisions | -211 | -1 | 0 | 2 | -209 |
| **Net trade receivables** | **659** | **7** | **-25** | **-49** | **592** |
| Net completed work pending certification | 266 | 0 | 0 | 66 | 332 |
| Withholdings as security | 95 | 3 | 0 | 24 | 122 |
| **TRADE RECEIVABLES FOR SALES AND SERVICES** | **1,019** | **9** | **-25** | **42** | **1,045** |

(*) Restated figures (Note 1.1.5)

The change in "Other" (EUR 42 million), is explained primarily by the increase in this line item in Construction (EUR 36 million), as a result of business activity.

It should also be noted that scope changes during the year relate to the change of consolidation method applied to the I-66 toll road (Note 1.1.4) and the scope exclusion of the Polish real estate business.

Finally, at 31 December 2021 and 31 December 2020 there is no balance sheet items relating to factoring agreements.

The following details the main trade receivables, broken down by type of debtor:

| | CONSTRUCTION | | OTHER AND ADJUSTMENTS | | TOTAL | |
|---|---|---|---|---|---|---|
| Public sector | 518 | 51% | 81 | n.a. | 598 | 57% |
| Private sector | 309 | 30% | 13 | n.a. | 322 | 31% |
| Group companies and associates | 191 | 19% | -66 | n.a. | 125 | 12% |
| **TOTAL** | **1,017** | **100%** | **28** | **N.A.** | **1,045** | **100%** |

In order to manage customer credit risk, the Group has implemented pre- and post-contracting measures. Pre-contracting measures include the consultation of debtor registers, ratings, solvency studies, etc., while post-contracting measures during the execution of construction work include the follow-up of contractual incidents, non-payment events, etc.

The changes in trade provisions were as follows:

| (Millions of euros) | 2021 | 2020 (*) |
|---|---|---|
| **Opening balance** | **211** | **225** |
| Amounts charged to the income statement: | -3 | 5 |
| Allocations | 6 | 13 |
| Reversals | -9 | -8 |
| Applications | -1 | -21 |
| Foreign exchange effect | 1 | -2 |
| Transfers and other | -1 | 4 |
| **CLOSING BALANCE** | **209** | **211** |

(*) Restated figures (Note 1.1.5)

Group management considers that the carrying amount of trade receivables approximates their fair value.

### b) Other receivables

The detail of "other receivables" at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Advance payments to suppliers | 60 | 1 | 0 | -12 | 50 |
| Sundry receivables | 168 | -1 | -2 | -82 | 82 |
| Infrastructure project receivables | 3 | 0 | 0 | -1 | 2 |
| Receivables from public authorities | 117 | 0 | -2 | 23 | 138 |
| **OTHER RECEIVABLES** | **348** | **1** | **-4** | **-72** | **272** |

(*) Restated figures (Note 1.1.5)

The change in "Sundry receivables" with respect to December 2020 is due mainly to the collection of the receivable that the Madrid Regional Government had with Cintra in relation to the administrative proceeding involving Autopista M-203 (Note 6.5.1.b) in the amount of EUR 73 million.

Lastly, "receivables from public authorities" includes tax receivables other than income tax receivables.

## 4.3. SHORT-TERM TRADE AND OTHER PAYABLES

The detail of "short-term trade and other receivables" at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Trade payables | 1,445 | 31 | 0 | 59 | 1,535 |
| Work certified in advance | 821 | 22 | -130 | -21 | 692 |
| Advance payments | 529 | 0 | -305 | -31 | 193 |
| Other non-trade payables | 320 | 3 | -26 | 76 | 373 |
| **TRADE AND OTHER PAYABLES** | **3,115** | **56** | **-461** | **83** | **2,793** |

(*) Restated figures (Note 1.1.5)

### a) Trade payables

The detail of the trade payables at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Trade payables | 979 | 27 | 2 | 45 | 1,054 |
| Trade payables sent for reverse factoring | 217 | 0 | 0 | 9 | 226 |
| Withholdings made from suppliers | 249 | 3 | -3 | 5 | 255 |
| **TRADE PAYABLES** | **1,445** | **31** | **0** | **59** | **1,535** |

(*) Restated figures (Note 1.1.5)

The line item "trade payables" increased by EUR 90 million compared to the balance recognized at 31 December 2020. Excluding the foreign exchange effect and scope changes, trade payables increased by EUR 59 million, primarily in the Construction Division. As regards trade payables subject to reverse factoring, that is balances pending payment to suppliers under reverse factoring arrangements (Note 1.3.3.3 on accounting policies) these increased by EUR 9 million compared to the balance at 31 December 2020.

Group management considers that the carrying amount of trade receivables approximates their fair value.

### b) Disclosure obligation in relation to payments to suppliers provided for in 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 41 days.

Set forth 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 2021 and 2020:

| (Days) | 2021 | 2020 |
|---|---|---|
| **AVERAGE SUPPLIER PAYMENT PERIOD** | **41** | **41** |
| Ratio of transactions settled | 42 | 41 |
| Ratio of transactions not yet settled | 36 | 37 |
| **AMOUNT (euros)** | | |
| **TOTAL PAYMENTS SETTLED** | **751,447,311** | **685,411,852** |
| **TOTAL OUTSTANDING PAYMENTS** | **20,385,897** | **21,572,506** |

The 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. The breakdown of the average supplier payment period for discontinued operations is as follows:

| (Days) | 2021 | 2020 |
|---|---|---|
| **AVERAGE SUPPLIER PAYMENT PERIOD, DISCONTINUED OPERATIONS** | **55** | **53** |
| Ratio of transactions settled | 54 | 52 |
| Ratio of transactions not yet settled | 74 | 72 |
| **AMOUNT (euros)** | | |
| **TOTAL PAYMENTS SETTLED** | **327,929,700** | **597,633,850** |
| **TOTAL OUTSTANDING PAYMENTS** | **15,764,616** | **29,372,206** |

### c) Work certified in advance for construction work and customer advances

This line item includes:

- Work certified in advance (see definition in Notes 4.4 and 1.2.3.4) fell by EUR 129 million compared to the balance at December 2020 due mainly to the effect of the change of consolidation method applied to the I-66 toll road, as work certified in advance relating to Group companies is eliminated due to the full consolidation of this company (Note 1.1.4).
- The balance of advance payments from customers (see definition in point 4.4) fell by EUR -336 million as compared with December 2020 due primarily to the effect of the scope exclusion of the Polish real estate business (EUR -233 million) and to the change of consolidation method applied to the I-66 toll road (EUR -72 million) referred to above. Excluding these effects and the foreign exchange effect, the variation would be EUR -31 million, due mainly to the refund of advance payments at Budimex.

### d) Other non-trade payables

The detail of "other non-trade payables" is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Accrued wages and salaries | 159 | 1 | -1 | 2 | 161 |
| Payables to public authorities | 118 | 7 | 0 | 18 | 143 |
| Other payables | 43 | 0 | -24 | 50 | 69 |
| **OTHER NON-TRADE PAYABLES** | **320** | **8** | **-25** | **70** | **373** |

(*) Restated figures (Note 1.1.5)

## 4.4. BALANCES UNDER CONTRACTS WITH CUSTOMERS AND OTHER IFRS 15 DISCLOSURES

**Information on the balance sheet from IFRS15**

As mentioned in Note 1.2.3.4, relating to the policy with regard to recognizing revenues from contracts (IFRS 15), in 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 - Progress billing for construction work" (Note 4.3).

Also, in certain construction contracts, advances are agreed upon that are paid by the customer when work is commenced on the contract, the balance of which is offset against the various progress billings as the contract work is performed.

These amounts are included on the liabilities side of the balance sheet, under "trade payables" (Note 4.3.a).

In contrast to the advance payments, in some contracts the customer retains a portion of each progress billing to guarantee certain contractual obligations are met. These "retentions" are not reimbursed until the contract is definitively settled. These amounts are included 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, the 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.

The detail of the amounts recognized in this connection at 31 December 2021 and 2020 is as follows:

| Millions of euros | 2020 (*) | Exchange rate | Consolidation scope changes | Other | 2021 |
|---|---|---|---|---|---|
| Completed work pending certification | 266 | 0 | 0 | 66 | 332 |
| Withholdings | 93 | 3 | 0 | 24 | 119 |
| **Total assets from customer contracts** | **359** | **2** | **0** | **91** | **451** |
| Work certified in advance | 821 | 22 | -130 | -21 | 692 |
| Advance payments | 530 | 0 | -305 | -31 | 193 |
| **Total liabilities from customer contracts** | **1,350** | **22** | **-434** | **-52** | **885** |

(*) Restated figures (Note 1.1.5)

The balance at 31 December 2021 of work completed and pending certification relates almost entirely to amounts relating to revenues from the main contract signed with the customer, since, in line with the general policy established by the Group, only works that are due and payable may be recognized, i.e. amounts that have been approved by the customer. The balance shown under claims includes only the cases in which it is deemed highly probable that there will be no reversal of revenues 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, certification schedule, etc.

### Other disclosures relating to IFRS 15:

#### Revenue from contracts with customers:

EUR 6,678 million of total revenue recognized in 2021 (Note 2.1, operating income) relate to revenue from contracts with customers, which represents 98.5% of revenue recognized.

| (Millions of euros) | 2021 |
|---|---|
| Construction | 5,799 |
| Toll roads | 531 |
| Airports | 2 |
| Other segments | 347 |
| **Revenue from contracts with customers** | **6,678** |

With regard to income pending recognition in relation to uncompleted performance obligations at year-end, this line item corresponds to what is generally referred to as the order book (see the definition in the section Alternative performance measures in the Management report).

The table below is a breakdown of this figure by business area and includes an estimate of the years in which it is expected that it will appear in income.

| INCOME | 2022 | 2023 | 2024 | 2025 | 2026+ | TOTAL |
|---|---|---|---|---|---|---|
| Construction | 5,351 | 3,491 | 1,711 | 719 | 944 | 12,216 |
| Waste Treatment | 58 | 69 | 68 | 72 | 720 | 987 |
| **Total** | **5,409** | **3,560** | **1,779** | **791** | **1,664** | **13,204** |

There are a total of 788 contracts in progress in the Construction businesses, as well as 4 Waste treatment contracts.

# SECTION 5: CAPITAL STRUCTURE AND FINANCING

The notes in this section describe the changes in Ferrovial's financial structure, addressing both changes in equity (Note 5.1) and consolidated net debt (Note 5.2) (taken to be the balance of cash and cash equivalents net of financial debt, bank borrowings and debt securities), broken down by project companies and ex-project companies. They also describe the Group's exposure to the main financial risks and the policies for managing them (Note 5.4), as well as the derivatives arranged in connection with those policies (Note 5.5).

Equity (Note 5.1) attributed to shareholders increased in relation to the previous year due essentially to results for the year less shareholder returns.

**EQUITY ATTRIBUTED TO SHAREHOLDERS**

(Millions of euros)

| **CLOSING BALANCE AT 31/12/2020 (*)** | **3,150** |
|---|---|
| Net profit/(loss) | 1,197 |
| Income and expense recognized directly in equity | 196 |
| Amounts transferred to the income statement | 1 |
| Shareholder remuneration | -463 |
| Share-based remuneration scheme | -22 |
| Other | -11 |
| **Closing balance at 31/12/2021** | **4,048** |

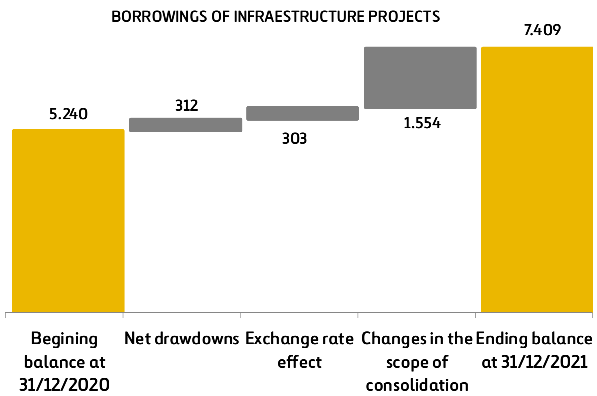
(*) Restated figures (Note 1.1.5)

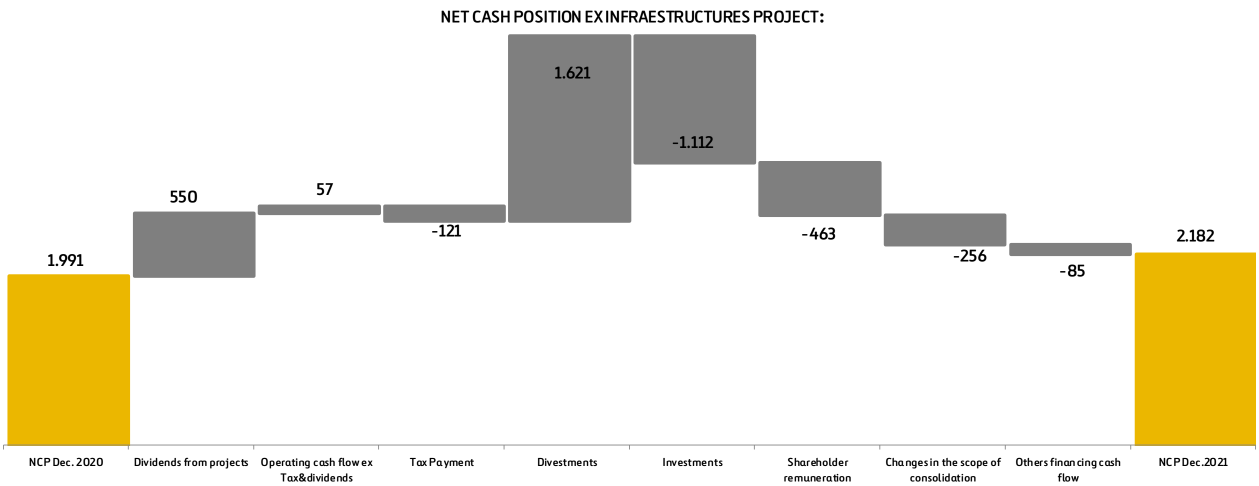
The net consolidated cash (Note 5.2) of Ferrovial ex-infrastructure projects, including discontinued operations, amounted to EUR 2,182 million (2020: EUR 1,991 million).

The improvement during the year is explained by cash flows (Note 5.3), which do include movements in discontinued operations. The positive flow from operating activities before tax of EUR 1,116 million is worthy of note, due primarily to divestments during the financial year (EUR 1,621 million) and dividends received from projects (EUR 550 million), offset by investments totaling EUR 1,112 million.

This positive net figure continues to make it possible to amply achieve the objective of maintaining an investment grade rating, where the Company considers a relevant metric the ratio, for ex-infrastructure projects, of Net Debt (gross debt less cash) to gross operating profit (EBITDA) plus dividends from projects of no more than 2:1. Ferrovial's current rating stands at BBB.

As regards gross project debt, the variation on the previous year (EUR 7,409 million in December 2021 versus EUR 5,240 million in December 2020) is due primarily to the effect of scope changes relating to the change of consolidation method applied to the I-66 toll road (EUR 1,554 million) and to the foreign exchange effect of EUR 303 million.



## 5.1. EQUITY

### 5.1.1 Changes in equity

The detail of the main impacts net of taxes that affected the changes in equity in 2021 and which explain the changes in equity in the period from December 2021 to December 2020 is as follows:

| | Attributed to shareholders | Attributed to non-controlling interests | Total equity |
|---|---|---|---|
| **Equity at 31.12.2020 (*)** | **3,150** | **640** | **3,790** |
| **Equity at 01.01.2021** | **3,150** | **640** | **3,790** |
| Consolidated profit/(loss) for the year | 1,197 | 138 | 1,335 |
| Impact on hedge reserves | 67 | -17 | 50 |
| Impact on defined benefit plan reserves (**) | 23 | 0 | 23 |
| Currency translation differences | 106 | 1 | 107 |
| Income and expense recognized directly in equity | 196 | -16 | 180 |
| Amounts transferred to the income statement | 1 | 0 | 1 |
| **TOTAL RECOGNISED INCOME AND EXPENSES** | **1,394** | **122** | **1,516** |
| Scrip dividend/other dividends | -29 | -270 | -299 |
| Treasury share transactions | -434 | 0 | -434 |
| **SHAREHOLDER REMUNERATION** | **-463** | **-270** | **-733** |
| Share capital increases/reductions | 0 | 28 | 28 |
| Share-based remuneration scheme | -22 | 0 | -22 |
| Hybrid bond | -7 | 0 | -7 |
| Scope changes | 0 | 1,270 | 1,270 |
| Other movements | -4 | 1 | -3 |
| **OTHER TRANSACTIONS** | **-33** | **1,299** | **1,266** |
| **Equity at 31.12.2021** | **4,048** | **1,791** | **5,839** |

(*) Restated figures (Note 1.1.5)

(**) Pursuant to the amendment to IAS 1 on the Presentation of financial statements, 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 profit or loss.

The following is a description of the main movements in shareholders' funds in 2021, which gave rise to an increase of EUR 898 million in equity attributable to shareholders.

<u>The consolidated profit/(loss) for the year</u> attributed to the parent company totaled EUR 1,197 million.

<u>Income and expense recognized directly in equity relate to</u>:

- Hedging instruments: Recognition of the changes in value of the effective portion of derivatives designated as hedges, as detailed in Note 5.5, the positive impact of which was EUR 67 million, of which EUR 34 million relates to fully consolidated companies, EUR 31 million to equity-accounted companies and EUR 3 million to companies held for sale and discontinued operations.
- Defined benefit plans: It reflects the impact on equity of actuarial gains and losses arising from adjustments and changes to the Group's defined benefit plan assumptions (EUR 23 million net of tax for the parent company), relating essentially to HAH, due to the changes during the year that brought the value of the ownership interest to zero.
- Currency translation differences: The currencies to which Ferrovial is most exposed in terms of equity (mainly the Canadian dollar, US dollar and pound sterling), as detailed in Note 5.4, gave rise to currency translation differences of EUR 106 million attributed to the parent company, primarily Canadian dollars (EUR 93 million), US dollar (EUR 8 million), pound sterling (EUR 16 million) and Chilean peso (EUR -10 million). These translation differences are presented net of the effect of foreign currency hedging instruments arranged by the Group (Note 5.5).

<u>Amounts transferred to the income statement</u>:

This section 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 used to hedge the following divestment transactions and acquisitions, as mentioned in Note 1.1.4: those derived from debt coverage related to the Concesionaria de Prisiones Figueras (EUR 12 million net of taxes), to the Environment Services business in Spain and Portugal (EUR 3 million net of taxes) and to the Norte Litoral toll road (EUR 2 million net of taxes), which are offset by the currency translation differences transferred to the income statement resulting from the takeover of the I-66 toll road, which is now fully consolidated, amounting to EUR -16 million.

<u>Shareholder remuneration</u>:

- Scrip dividend: For the eighth successive year, Ferrovial, S.A.'s Annual General Meeting held on 9 April 2021 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) of the free allotment rights to the shares held. As a result, two share capital increases were completed in 2021 as follows:
  - In May 2021, 5,615,714 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 1.1 million (no impact on cash), and free allotment rights were purchased in the amount of EUR 12 million, representing a price per share of EUR 0.20.
  - In November 2021, 7,743,557 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 1.5 million (no impact on cash), and free allotment rights were purchased in the amount of EUR 20 million, representing a price per share of EUR 0.31.
- The cash flow impact of shareholder remuneration in 2021 amounted to EUR 463 million (Note 5.3). The difference between the scrip dividend of EUR 29 million and the treasury share purchase of EUR 434 million are detailed in the table above, and the scrip dividend of EUR 31 million and the treasury share purchase of EUR 432 million disclosed in the cash flow statement (Note 5.3), is explained by the above-mentioned issuance of new shares against reserves in the amount of EUR 2.5 million.

Share-based remuneration schemes:

In 2021 a total of 345,000 shares were acquired, representing 0.047% 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 cost of acquisition of these shares was EUR 7.3 million and the total gain on these remuneration schemes recognized in the Company's equity amounts to EUR -22 million, due to the partial reversal of the provision endowed in previous years, since both in the plan that expired in 2021 and the one that expires in 2022, the degree of compliance with the conditions entitled to receive remuneration has been lower than that initially considered.

As explained in Note 5.5, the Company has arranged Equity Swaps in order to hedge against the possible impact on equity of the exercise of share-based remuneration schemes. These instruments entail a fair value impact of EUR 14 million on net financial income/(expense).

Subordinated hybrid bond:

The movement for the year reflects the costs associated with this equity instrument described in the following Note 5.1.2 d), equating to a negative impact of EUR -7 million in 2021.

### 5.1.2 Equity components

The following is an explanation of each of the equity line items presented in the consolidated statement of changes in equity:

#### a) Share capital

At 31 December 2021, share capital stood at EUR 146,720,496.20 and was fully subscribed and paid up. Share capital consists of 733,602,481 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 | 732,902,376 | 146,580,475 |
| Scrip dividend | 13,359,271 | 2,671,854 |
| Share capital reduction | -12,659,166 | -2,531,833 |
| **CLOSING SHARES** | **733,602,481** | **146,720,496** |

At 31 December 2021, the only company with an ownership interest of over 10% is Rijn Capital BV, which holds 20.248% 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

At 31 December 2021, the share premium and merger premium, which arose 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 2009, totaled EUR 218 million. Both line items are included in unrestricted reserves.

#### c) Treasury shares

At 31 December 2020, 634,034 treasury shares were held. Movements during 2021 were as follows:

| TRANSACTION COMPLETED/PURPOSE | NUMBER OF SHARES PURCHASED | NUMBER OF SHARES APPLIED TO PURPOSE | TOTAL NUMBER OF SHARES |
|---|---|---|---|
| **Balance at 31.12.2020** | | | **634,034** |
| Share capital reduction | 16,990,379 | -12,659,166 | 4,331,213 |
| Remuneration schemes | 345,000 | -371,702 | -26,702 |
| Shares received - scrip dividend | 133,473 | 0 | 133,473 |
| **Balance at 31.12.2021** | | | **5,072,018** |

The Annual General Meeting of Ferrovial, S.A. held on 9 April 2021 approved a treasury share Buy-Back Programme for a maximum amount of EUR 320 million, the purpose of which was a subsequent capital reduction by redeeming the shares. Over the course of 2021 16,990,379 treasury shares were acquired at an average price of EUR 25.39 per share, giving rise to a payment totaling EUR 434 million. Subsequently, it was resolved to reduce share capital by 12,659,166 shares, giving rise to a share capital reduction of EUR 3 million and an impact of EUR -432 million, which was recognized against unrestricted reserves (merger premium) and related to the difference between the acquisition price and the par value of the retired shares.

The market value of the treasury shares held by Ferrovial at 31 December 2021 (5,072,018 shares) was EUR 140 million.

#### d) Other equity instruments

Through its subsidiary Ferrovial Netherlands BV, with a guarantee from Ferrovial, S.A., the Group made a perpetual subordinated bonds issue in 2017 in the nominal amount of EUR 500 million and with an annual coupon of 2.124% until the first recalculation date (May 2023). Following this first recalculation date, the coupon will be changed to a rate equivalent to adding 2.127% to the 5-year swap rate that applies at that time. The same calculation will be made every 5 years until 2043, at which point the 5-year swap rate that applies at that time will be increased by 2.877%.

These bonds may be repaid for the first time, at the issuer's discretion, in five and a half years (2023) 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 the payment of coupons over time, and such payment cannot be demanded by the holders.

As mentioned in Note 1.2.3.3, when it is the issuer that has the right to decide regarding both the repayment of principal and the possibility of deferring the payment of coupons on the bond, the instrument is entered under equity.

Thus, these subordinated perpetual bonds are recognized under "other equity instruments". The costs associated with the issue of these bonds and the accrued interest and payment of the coupon, which at the end of 2021 amounted to an accumulated figure of EUR -35 million (EUR -7 million accrued in this financial year), are recognized under "reserves" and treated in a similar way to dividends.

Irrespective of this type of instrument being classified as shareholders' funds from an accounting standpoint, the method followed by the rating agencies for the purpose of analyzing the Group's debt level is to consider the hybrid bond issue fully or partially as debt and/or partially as equity, according to the current methodologies applied by each of these rating agencies.

### e) measurement adjustments

"Measurement adjustments" in the consolidated statement of changes in equity, the balance of which at 31 December 2021 was EUR -1,299 million, includes the accumulated amount in reserves of the measurement adjustments made to translation differences (EUR -519 million), pension plans (EUR -455 million) and measurement adjustments made to derivatives (EUR -325 million).

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 under the related accounting legislation may not be transferred in a future period to the income statement are the items relating to pension plans.

### f) Retained earnings and other reserves

This line item includes prior years' retained earnings and other reserves totaling EUR 4,599 million (2020: EUR 3,359 million). The other reserves include restricted reserves of the parent company, relating mainly to the legal reserve of EUR 30 million.

Adjustments relating to share-based remuneration schemes and the impact of the subordinated perpetual bond's coupons and associated costs are also recognized under this heading.

### g) Proposed distribution of profit for 2021

The Company posted a loss for the year of EUR -31,614,831.01.

The Board of Directors will propose to the Company's Annual General Meeting the following distribution of FERROVIAL, S.A.'s individual profit:

| | 2021 |
|---|---|
| Profit of FERROVIAL, S.A. (individual company) (euros) | -31,614,831.01 |
| Distribution (euros): | |
| To prior year losses | -31,614,831.01 |

The legal reserve is fully funded.

### h) Non-group companies with significant ownership interests in subsidiaries

At 31 December 2021, 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 | 28.3272%-17.0689% | LBJ Blocker (APG)- Meridiam Infr. S.a.r.l. (MI LBJ) |
| NTE Mobility Partners Holding LLC | 37.03% | Meridiam Infrastructure S.a.r.l. |
| NTE Mobility Partners SEG 3 Holding LLC | 28.8399%-17.4949% | NTE Segments 3 Blocker, Inc. (APG) - Meridiam Infraestructure NTE 3A/3B LLC |
| I-77 Mobility Partners, LLC | 17.45%-17.45% | Aberdeen Infr. Invest./John Laing I-77 Holco Corp. |
| I-66 Mobility Partners, LLC | 29.746% - 14.55% | Meridiam Infrastructure 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 the stock exchange) |

The main financial statement aggregates of the most significant Group companies in which other shareholders own interests are as follows (data on 100% terms):

| 2021 (Millions of euros) | ASSETS | LIABILITIES | SHAREHOLDERS' FUNDS | NCP | NET PROFIT/(LOSS) |
|---|---|---|---|---|---|
| Terrassa Manresa toll road: | 829 | 209 | 620 | 14 | -45 |
| LBJ Infraestructure Group | 2,087 | 2,236 | -149 | -1,757 | -2 |
| NTE Mobility Partners | 1,643 | 1,614 | 29 | -1,075 | 42 |
| NTE Mobility Partners Segments 3 LLC | 2,104 | 1,681 | 424 | -928 | 23 |
| I-77 Mobility Partners LLC | 704 | 503 | 201 | -231 | 1 |
| I-66 Mobility Partners LLC | 4,321 | 1,414 | 2,907 | -1,511 | 16 |
| Budimex | 1,557 | 1,212 | 344 | 561 | 108 |

The main movements in "equity attributable to non-controlling interests" in 2021 were as follows:

| Company | Balance at 31/12/2020 (*) | Profit/(loss) | Derivatives | Currency translation differences | Dividends | Share capital increase | Other | Balance at 31.12.2021 |
|---|---|---|---|---|---|---|---|---|
| Terrassa Manresa toll road: | 192 | -14 | -19 | 0 | -12 | 0 | 0 | 147 |
| LBJ Infraestructure Group | 73 | -2 | 0 | 0 | -139 | 0 | 0 | -68 |
| NTE Mobility Partners | 17 | 25 | 0 | 1 | -31 | 0 | -1 | 11 |
| NTE Mobility Partners Segments 3 LLC | 163 | 20 | 0 | 13 | 0 | 0 | 0 | 196 |
| I-77 Mobility Partners LLC | 65 | 1 | 0 | 5 | 0 | 0 | -1 | 70 |
| I-66 Mobility Partners LLC | 0 | 0 | 0 | -14 | 0 | 18 | 1,284 | 1,288 |
| FAM Construction LLC (I-66) | -48 | -7 | 0 | -4 | 0 | 0 | 0 | -59 |
| Budimex | 183 | 109 | 0 | -1 | -88 | 0 | -1 | 202 |
| Environmental Services | 10 | 3 | 0 | 0 | 0 | 0 | -13 | 0 |
| Other | -15 | 3 | 2 | 1 | 0 | 10 | 3 | 4 |
| **TOTAL** | **640** | **138** | **-17** | **1** | **-270** | **28** | **1,271** | **1,791** |

(*) Restated figures (Note 1.1.5)

"Capital increases" reflects the impact of the increase in funds attributable to non-controlling interests of the toll road I-66 Mobility Partners LLC and D4R7 Construction S.R.O. amounting to EUR 18 million and EUR 10 million respectively.

The heading "Other movements" mainly reflects an impact of EUR 1,284 million associated with the full consolidation of the I-66 toll road (Note 1.1.4) due to the fact that the amount attributable to non-controlling interests is recognized at fair value in the same way as all the company's assets and liabilities following the acquisition of control.

## 5.2. NET CONSOLIDATED 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 under "cash and cash equivalents", together with the long-term restricted cash of infrastructure projects and other short-term financial assets, less financial borrowings (short-term and long-term bank borrowings and debt securities).

The net cash position also includes forwards totaling EUR -22 million that hedge the cash held by the Group in Australian and Canadian dollars, as well as cross-currency swaps, valued at EUR -9 million and associated with the borrowings and cash denominated in US dollars. The derivatives are accounted for in this way because they are associated in full with the aforementioned borrowings/cash and the related exchange rate effect is netted off therefrom.

| Continuing and discontinued operations (millions of euros) | | | | | | | | 31/12/2021 |
|---|---|---|---|---|---|---|---|---|
| | Bank borrowings/bonds | Cross-currency swaps | Cash and cash equivalents | Forwards | Long-term restricted cash | Net borrowing position | Intragroup position | Total |
| 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** |

| | | | | | | | | 31/12/2020 |
|---|---|---|---|---|---|---|---|---|
| | Bank borrowings/bonds | Cross-currency swaps | Cash and cash equivalents | Forwards | Long-term restricted cash | Net borrowing position | Intragroup position | Total |
| Ex-infrastructur | -4,598 | -2 | 6,614 | 14 | 3 | 2,030 | -39 | 1,991 |
| Infrastructure project | -5,445 | 0 | 224 | 0 | 650 | -4,571 | 39 | -4,532 |
| **Total net cash position** | **-10,043** | **-2** | **6,837** | **14** | **654** | **-2,541** | **0** | **-2,541** |

The net cash position ex-infrastructure projects including discontinued operations amounted to EUR 2,182 million at December 2021 compared to EUR 1,991 at December 2020, a change of EUR 191 million. The net cash position of infrastructure projects, including discontinued operations, varied by EUR -2,102 million, from EUR -4,532 million in December 2020 to EUR -6,633 million in December 2021, due primarily to the change of consolidation method applied to the I-66 toll road (Note 1.1.4).
It is now fully consolidated so 100% of the company's net
cash position is recognized in the amount of EUR 1,511 million at December 2021. A more detailed analysis of this position, both for continuing and discontinued operations is included in Note 5.3 on cash flow and in the management report that has been formally prepared together with these consolidated financial statements.

| | | | | | | | | 31/12/2021 |
|---|---|---|---|---|---|---|---|---|
| Continuing operations (millions of euros) | Bank borrowings/bonds | Cross-currency swaps | Cash and cash equivalents | Forwards | Long-term restricted cash | Net borrowing position | Intragroup position | Total |
| Ex-infrastructure | -3,178 | -9 | 5,319 | -22 | 0 | 2,111 | -37 | 2,074 |
| Infrastructure project | -7,409 | 0 | 207 | 0 | 579 | -6,623 | 37 | -6,586 |
| **Total net cash position** | **-10,587** | **-9** | **5,526** | **-22** | **579** | **-4,512** | **0** | **-4,512** |

| | | | | | | | | 31/12/2020 (*) |
|---|---|---|---|---|---|---|---|---|
| Continuing operations (millions of euros) | Bank borrowings/bonds | Cross-currency swaps | Cash and cash equivalents | Forwards | Long-term restricted cash | Net borrowing position | Intragroup position | Total |
| Ex-infrastructure | -4,522 | -2 | 6,378 | 14 | 3 | 1,871 | -39 | 1,832 |
| Infrastructure project | -5,240 | 0 | 148 | 0 | 650 | -4,442 | 39 | -4,402 |
| **Total net cash position** | **-9,762** | **-2** | **6,526** | **14** | **654** | **-2,571** | **0** | **-2,571** |

(*) Restated figures (Note 1.1.5)

| | | | | | | | | Change |
|---|---|---|---|---|---|---|---|---|
| Continuing operations (millions of euros) | Bank borrowings/bonds | Cross-currency swaps | Cash and cash equivalents | Forwards | Long-term restricted cash | Net borrowing position | Intragroup position | Total |
| Ex-infrastructur | 1,344 | -6 | -1,059 | -36 | -3 | 240 | 2 | 242 |
| Infrastructure project | -2,169 | 0 | 59 | 0 | -72 | -2,181 | -2 | -2,183 |
| **Total net cash position** | **-825** | **-6** | **-999** | **-36** | **-75** | **-1,941** | **0** | **-1,941** |

A breakdown of discontinued operations of both periods is also included below:

| Discontinued operations (millions of euros) | 31.12.2021 Bank borrowings/bonds | Cash and cash equivalents | Net borrowing position | 31.12.2020 Bank borrowings/bonds | Cash and cash equivalents | Net borrowing position | Var. |
|---|---|---|---|---|---|---|---|
| Ex-infrastructure project | -24 | 133 | 108 | -76 | 236 | 160 | -51 |
| Infrastructure project | -54 | 7 | -47 | -205 | 76 | -129 | 82 |
| **Total net cash position** | **-78** | **139** | **61** | **-281** | **311** | **30** | **31** |

### 5.2.1. Infrastructure projects

#### 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 the 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 47 million (31 December 2020: EUR 33 million), are recognized under "cash and cash equivalents" in the balance sheet whereas long-term balances, of EUR 579 million (31 December 2020: EUR 650 million), are classified as financial assets. Therefore, existing restricted cash at 31 December 2021, both short- and long-term, amounted to EUR 625 million, relating to the NTE Segment 3, LBJ, I-77 and NTE toll roads (EUR 511 million, EUR 25 million, EUR 25 million and EUR 5 million, respectively), as well as other European concessions amounting to EUR 47 million, relating mainly to treatment plants in the United Kingdom, the Aragón toll road and other European Toll Roads (EUR 21 million, EUR 16 million and EUR 10 million, respectively). The variation of EUR -58 million compared with December 2020 is explained by:

- A net decrease in the restricted cash amount of EUR -104 million (excluding exchange rate effects), essentially from the NTE Segment 3 toll road (EUR -104 million) and LBJ (EUR -29 million) primarily due to the payment of the works at NTE Segment 3.
- The exchange rate effect amounted to EUR 46 million, caused mainly by changes in the value of the US dollar (Note 1.3).

Other cash and cash equivalents relate to bank accounts and highly-liquid investments subject to interest rate risk.

#### b) Infrastructure project borrowings

##### b.1) Breakdown by project, significant changes in the year and main characteristics of the borrowings

The following is a breakdown of borrowings by project, distinguishing between bonds and bank borrowings, short- and long-term, and changes during the year.

| (Millions of euros) | 31.12.2021 Bonds | Bank borrowings | Total | CHANGE 21/20 Bonds | Bank borrowings | Total |
|---|---|---|---|---|---|---|
| **Long term** | **3,890** | **3,472** | **7,362** | **1,461** | **709** | **2,170** |
| US toll roads | 3,890 | 2,237 | 6,128 | 1,461 | 660 | 2,121 |
| Spanish toll roads | 0 | 632 | 632 | 0 | -10 | -10 |
| Portuguese toll roads | 0 | 277 | 277 | 0 | -13 | -13 |
| Other concessions | 0 | 45 | 45 | 0 | -15 | -15 |
| Airports | 0 | 0 | 0 | 0 | -52 | -52 |
| Construction | 0 | 93 | 93 | 0 | 6 | 6 |
| Energy and mobility infrastructures | 0 | 131 | 131 | 0 | 131 | 131 |
| Waste Treatment | 0 | 56 | 56 | 0 | 3 | 3 |
| **Short term** | **1** | **46** | **47** | **-4** | **3** | **-1** |
| US toll roads | 1 | 0 | 1 | -4 | 0 | -4 |
| Spanish toll roads | 0 | 11 | 11 | 0 | 5 | 5 |
| Portuguese toll roads | 0 | 14 | 14 | 0 | 2 | 2 |
| Other concessions | 0 | 15 | 15 | 0 | -4 | -4 |
| Energy and mobility infrastructures | 0 | 2 | 2 | 0 | 2 | 2 |
| Construction | 0 | 3 | 3 | 0 | 0 | 0 |
| Airports | 0 | 0 | 0 | 0 | -2 | -2 |
| Waste Treatment | 0 | 1 | 1 | 0 | 0 | 0 |
| **TOTAL** | **3,892** | **3,517** | **7,409** | **1,457** | **712** | **2,169** |

| (Millions of euros) | 31.12.2020 Bonds | Bank borrowings | Total |
|---|---|---|---|
| **Long term** | **2,429** | **2,763** | **5,192** |
| US toll roads | 2,429 | 1,577 | 4,006 |
| Spanish toll roads | 0 | 642 | 642 |
| Portuguese toll roads | 0 | 290 | 290 |
| Other concessions | 0 | 60 | 60 |
| Airports | 0 | 52 | 52 |
| Construction | 0 | 87 | 87 |
| Waste Treatment | 0 | 54 | 54 |
| **Short term** | **5** | **43** | **48** |
| US toll roads | 5 | 0 | 5 |
| Spanish toll roads | 0 | 5 | 5 |
| Other concessions | 0 | 20 | 20 |
| Airports | 0 | 2 | 2 |
| **TOTAL** | **2,434** | **2,806** | **5,240** |

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.

| (Millions of euros) | Dec. 2020 | Increase/d | Foreign exchange effect | Impact of changes in the consolidation scope and other | Capitalized /accrued interest | Dec. 2021 |
|---|---|---|---|---|---|---|
| Gross borrowing position, projects | **5,240** | 311 | 303 | 1,554 | 1 | **7,409** |

Infrastructure project borrowings increased by EUR 2,169 million with respect to December 2020, a change that was mainly due to the following reasons:

- Effect of scope changes related to the consolidation of 100% of the Net Cash Position of Autopista I-66 following the change of method due to the purchase of an additional 5.704% of the company, impacting debt in the amount of EUR 1,554 million (Note 1.1.4).
- Exchange rate effect amounting to EUR 303 million, mainly due to the depreciation of the euro against the US dollar.
- Increase in borrowings already arranged at the end of 2020 and capitalization and accrual of interest for a net amount of EUR 311 million. This increase primarily relates to projects in the US:
  - LBJ (EUR 257 million), due mainly to the USD 609 million bond issue and offset by the repayment of USD 301 of the TIFIA loan. This debt structure is described below in this Note.
  - NTE Mobility Partners Seg 3 LLC, NTE Mobility Partner and I-66 and I-77 (EUR 12 million), mainly due to interest capitalization and unpaid accrued 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% and 5.00% (weighted average interest rate of 4.63%), repayable from 2030 to 2039.

#### NTE Mobility Partners Seg 3 LLC

The borrowings for the 3A-3B segments are structured with the issue of USD 274 million of Private Activity Bonds (PABs), maturing at 25 and 30 years (7.00% fixed interest on USD 128 million and 6.75% fixed interest on USD 146 million), and a TIFIA loan of USD 531 million bearing a fixed rate of 3.84%, against which USD 641.6 million had been drawn down at 31 December 2021 (USD 531.0 million of principal and USD 110.6 million of interest added to the principal), with final maturity in 2053.

The 3C segment debt comprises a USD 653.9 million issue of PABs (Private Activity Bonds) (total of USD 750 million with the 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.

There is also a TIFIA loan granted by the US Federal Government. After having repaid USD 300.6 million, the value of the loan at 31 December 2021 is USD 835.6 million, repayable from 2035 to 2050 and accruing interest at a fixed rate of 4.22%.

#### 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 7 million have final maturity between 2026 and 2030, USD 13 million have final maturity in 2037 and EUR 80 million have final maturity in 2054.

It also has a TIFIA loan of USD 189 million against which USD 217.6 million had been drawn down at 31 December 2021 (USD 189.0 million of principal and USD 28.6 million of capitalized interest). This loan bears interest at a fixed rate of 3.04% and has final maturity 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 1,312.4 million had been drawn down at 31 December 2021 (USD 1,229.1 million of principal and USD 83.3 million of capitalized interest). This loan bears interest at a fixed rate of 2.80% and has final maturity in 2057.

The difference between the total nominal debt (EUR 1,802 million) and the book balance at December 31 2021 (EUR 1,525 million) is mainly due to the fair value adjustment following the purchase of the additional percentage in the amount of €317 million (see Note 1.1.1.4), as well as capitalized interest and unpaid accrued interest in the amount of EUR 40 million.

### 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 -0.544% +1.50% at the year-end. Both tranches were fully utilized and fall due in 2035. The respective balances at 31 December 2021 are EUR 294.3 million and EUR 310.0 million. The debt also includes a liquidity tranche (tranche C) with a balance of EUR 42.1 million at 31 December 2021, drawable up to a maximum of EUR 25.0 million (the year-end interest rate is the 6-month EURIBOR -0.544% +1.50%). It should also be noted that this company has a derivative with a notional amount of EUR 590.5 million, a guaranteed interest rate of 5.288% and maturity in 2035. The fair value of the derivative arranged (recognized under “derivative financial instruments”, Note 5.5) was EUR -219.4 million at year-end.

### Portuguese toll roads:

#### Euroscut Azores

Syndicated bank financing with final maturity in 2033, against which EUR 293.1 million had been drawn down at 31 December 2021 (bearing interest at the 6-month EURIBOR of -0.513% +0.85%). In relation to these borrowings, the concession operator has arranged a derivative with a notional amount of EUR 251.0 million, a guaranteed fixed interest rate of 4.115% and maturity in 2033. The fair value of the derivative arranged (recognized under “derivative financial instruments”, Note 5.5) was EUR -52.6 million at year-end.

Breakdown of other projects:

| | LONG TERM | SHORT TERM | 2021 | CHANGE 21/20 |
|---|---|---|---|---|
| Transchile Charrúa Transmisión, S.A. | 99 | 2 | 101 | 47 |
| Centella Transmisión, S.A. | 32 | 0 | 32 | 32 |
| Conc. Prisiones Lledoners, S.A. | 67 | 2 | 69 | -2 |
| Depusa Aragón, S.A. | 26 | 1 | 27 | 8 |
| Autovía de Aragón, Sociedad Concesionaria, S.A. | 46 | 11 | 56 | -11 |
| Pilum, S.A. | 0 | 5 | 5 | -8 |
| **TOTAL Other infrastructure project borrowings** | **269** | **20** | **289** | **65** |

| | LONG TERM | SHORT TERM | 2019 |
|---|---|---|---|
| Transchile Charrúa Transmisión, S.A. | 52 | 2 | 54 |
| Centella Transmisión, S.A. | 0 | 0 | 0 |
| Conc. Prisiones Lledoners, S.A. | 69 | 2 | 71 |
| Depusa Aragón, S.A. | 18 | 1 | 19 |
| Autovía de Aragón, Sociedad Concesionaria, S.A. | 56 | 12 | 67 |
| Pilum, S.A. | 4 | 8 | 12 |
| **TOTAL Other infrastructure project borrowings** | **200** | **24** | **224** |

Other project borrowings increased by EUR 65 million as compared with December 2020. This increase is due mainly to the debt drawdowns for the Chilean Energy Infrastructure projects.

### b.2) Maturities by currency and fair value of infrastructure project borrowings

| | Currency | Fair value 2021 | Carrying amount 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027+ | Total maturities |
|---|---|---|---|---|---|---|---|---|---|---|
| **Infrastructure project obligations** | | **3,659** | **3,892** | **0** | **0** | **0** | **1** | **7** | **2,558** | **2,566** |
| **TOLL ROADS** | | **3,659** | **3,892** | **0** | **0** | **0** | **1** | **7** | **2,558** | **2,566** |
| | USD | 3,659 | 3,892 | 0 | 0 | 0 | 1 | 7 | 2,558 | 2,566 |
| | 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** | | **2,556** | **3,517** | **44** | **91** | **56** | **65** | **192** | **4,541** | **4,989** |
| **TOLL ROADS** | | **2,461** | **3,232** | **39** | **86** | **49** | **59** | **56** | **4,408** | **4,698** |
| | USD | 1,466 | 2,237 | 0 | 45 | 0 | 0 | 0 | 3,652 | 3,697 |
| | EUR | 995 | 995 | 39 | 41 | 49 | 59 | 56 | 756 | 1,001 |
| **AIRPORTS** | | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| | USD | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| **CONSTRUCTION** | | **96** | **96** | **1** | **1** | **1** | **2** | **2** | **91** | **98** |
| | EUR | 96 | 96 | 1 | 1 | 1 | 2 | 2 | 91 | 98 |
| **SERVICES** | | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| | GBP | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| | EUR | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| **ENERGY AND MOBILITY INFRASTRUCTURES** | | **133** | **133** | **1** | **1** | **2** | **2** | **131** | **0** | **137** |
| | USD | 133 | 133 | 1 | 1 | 2 | 2 | 131 | 0 | 137 |
| | EUR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **WASTE TREATMENT** | | **57** | **57** | **3** | **3** | **3** | **3** | **3** | **42** | **57** |
| | GBP | 57 | 57 | 3 | 3 | 3 | 3 | 3 | 42 | 57 |
| | EUR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **TOTAL INFRASTRUCTURE PROJECT BORROWINGS** | | **6,215** | **7,409** | **44** | **91** | **56** | **66** | **199** | **7,099** | **7,555** |

The differences between the total maturities of bank borrowings (EUR 7,555 million) and the carrying amounts recognized at 31 December 2021 (EUR 7,409 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 171 million, considering that the maturities of the borrowings do not include interest. In addition, a fair value adjustment of EUR -317 million was made to the I-66 toll road'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 year-end:

| 2021 (Millions of euros) | Borrowing limit | Drawn down | 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 | 227 | 137 | 90 | 133 |
| Construction | 98 | 98 | 0 | 96 |
| Waste Treatment | 57 | 57 | 0 | 57 |
| **TOTAL BORROWINGS** | **7,670** | **7,555** | **115** | **7,409** |

| 2020 (Millions of euros) | Borrowing limit | Drawn down | Drawable | Debt recognized in the accounts |
|---|---|---|---|---|
| Toll roads | 4,940 | 4,915 | 25 | 5,042 |
| US toll roads | 3,878 | 3,878 | 0 | 4,011 |
| Spanish toll roads | 677 | 652 | 25 | 648 |
| Other concessions | 385 | 385 | 0 | 383 |
| Airports | 54 | 54 | 0 | 54 |
| Construction | 90 | 90 | 0 | 90 |
| Waste Treatment | 54 | 54 | 0 | 54 |
| **TOTAL BORROWINGS** | **5,137** | **5,112** | **25** | **5,240** |

The entire drawable amount of EUR 115 million (EUR 25 million at 31 December 2020) relates to borrowings not utilized in the Chilean energy projects (EUR 90 million) and in Spanish toll roads. It should be noted that this drawable amount is associated exclusively with the projects, based on the nature and performance thereof, as discussed below.

#### b.4) Guarantees and covenants for project borrowings

The borrowings classified as project borrowings are without recourse to the shareholders of the projects or with recourse limited to the guarantees provided. The guarantees provided by subsidiaries of Ferrovial in relation with the borrowings of these projects are described in Note 6.5, Contingent liabilities.

At 31 December 2021, all the fully-consolidated project companies were achieving the significant covenants in force.

### 5.2.2. Net cash position excluding infrastructure projects

#### a) Borrowings excluding infrastructure projects

#### a.1) Breakdown between short and long-term balances, changes during the year and main characteristics

| (Millions of euros) | 2021 Long term | 2021 Short term | 2021 Total | CHANGE 21/20 Long term | CHANGE 21/20 Short term | CHANGE 21/20 Total |
|---|---|---|---|---|---|---|
| Corporate bonds and debentures | 2,069 | 517 | 2,586 | -497 | -7 | -504 |
| Euro Commercial Paper | 0 | 250 | 250 | 0 | -841 | -841 |
| Corporate liquidity lines | 60 | 241 | 301 | -224 | 241 | 17 |
| Other borrowings | 21 | 20 | 41 | -21 | 5 | -16 |
| **TOTAL FINANCIAL BORROWINGS EXCLUDING INFRASTRUCTURE PROJECT COMPANIES** | **2,150** | **1,027** | **3,178** | **-742** | **-602** | **-1,344** |

| (Millions of euros) | 2020 Long term | 2020 Short term | 2020 Total |
|---|---|---|---|
| Corporate bonds | 2,566 | 524 | 3,090 |
| Euro Commercial Paper | 0 | 1,091 | 1,091 |
| Corporate liquidity lines | 284 | 0 | 284 |
| Other borrowings | 42 | 15 | 57 |
| **TOTAL FINANCIAL BORROWINGS EXCLUDING INFRASTRUCTURE PROJECT COMPANIES** | **2,892** | **1,630** | **4,522** |

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:

| (Millions of euros) | Dec. 2020 | Increase/decrease with impact on cash flow | Foreign exchange effect | Impact of changes in the consolidation scope and other | Capitalized/accrued interest | Dec. 2021 |
|---|---|---|---|---|---|---|
| Bank borrowings/ Project bonds | 4,522 | -1,379 | 18 | 0 | 17 | 3,178 |
| Cross-currency swaps | 2 | 0 | 6 | 0 | 0 | 9 |
| **Gross borrowing position, ex-projects** | **4,524** | **-1,379** | **24** | **0** | **17** | **3,186** |

#### a.1.1) Corporate debt

The corporate debt comprises the following debt instruments:

<u>Corporate bonds:</u>

The carrying amount of which totals EUR 2,586 million at 31 December 2021 (31 December 2020: EUR 3,090 million). These are broken down in the following table:

| Issue date | (Par) value (Millions of euros) | Maturity | Annual coupon |
|---|---|---|---|
| 14/9/2016 | 500 | 14/9/2022 | 0.375% |
| 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 these issues are guaranteed by Ferrovial S.A., the parent company of the Group.

In 2021, the bond issued in June 2013 for a notional amount of EUR 500 million and at an annual coupon of 2.557% was repaid as well as the associated Interest Rate Swap (Note 5.5)

Euro Commercial Paper:

In the first quarter of 2018, the company formally completed a Euro Commercial Paper (ECP) programme for a maximum amount of EUR 1,000 million, with maturities between 1 and 364 days from the issue date, allowing for greater capital markets finance sourcing diversification and more efficiency when managing available liquidity. Towards the end of 2019 this limit was increased up to EUR 1,500 million, with the carrying amount standing at EUR 250 million at 31 December 2021.

This ECP programme has been renewed annually since 2018.

Liquidity facility:

In July 2018, Ferrovial refinanced the liquidity facility, incorporating sustainability criteria. Of the current maximum limit on the facility (EUR 900 million and potential to draw down the balance in EUR, USD, CAD and GBP), USD 284 million has been drawn down at 31 December 2021.

In order to cover possible interest rate and foreign exchange fluctuations affecting the amount drawn, Ferrovial has arranged cross-currency swaps for USD 274 million, maturing in 2022, for an agreed equivalent value of EUR 250 million, the fair value of which amounts to EUR -8 million.

The variation in corporate debt compared to December 2020 (EUR -1,328 million) is explained mainly by the lower volume of ECPs issued (EUR -841 million, at an average rate of -0.29%) and by the repayment of the bond issued in 2013 for the amount of EUR 500 million referred to previously.

The Group's liquidity, including discontinued operations, amounts to EUR 6,421 million (Note 5.4.d).

### Information on the credit limits and credit drawable of the corporate debt.

The detail of the limits and the amounts drawable of the corporate debt at 31 December 2021 and at 31 December 2020 is as follows:

| | 2021 | | | |
|---|---|---|---|---|
| (Millions of euros) | Borrowing limit | Drawn down (*) | Drawable | Corporate debt |
| Bonds | 2,581 | 2,581 | 0 | 2,586 |
| Syndicated facility | 900 | 250 | 650 | 241 |
| ECPs | 250 | 250 | 0 | 250 |
| Other | 60 | 60 | 0 | 60 |
| **TOTAL CORPORATE DEBT** | **3,791** | **3,141** | **650** | **3,136** |

(*) The balance drawn on the syndicated facility includes the fair value of cross-currency swaps (EUR -8 million).

| | 2020 | | | |
|---|---|---|---|---|
| (Millions of euros) | Borrowing limit | Drawn down (*) | Drawable | Corporate debt |
| Bonds | 3,081 | 3,081 | 0 | 3,090 |
| Syndicated facility | 900 | 250 | 650 | 224 |
| ECPs | 1,091 | 1,091 | 0 | 1,091 |
| Other | 340 | 60 | 280 | 60 |
| **TOTAL CORPORATE DEBT** | **5,412** | **4,482** | **930** | **4,464** |

(*) The balance drawn on the syndicated facilities includes the fair value of cross-currency swaps (EUR -26 million).

### 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 2021, 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 41 million (31 December 2020: EUR 57 million) primarily include other bank borrowing balances, mainly in the Construction Division.

### Information on credit limits and available credit:

As regards information on the limits and amounts available for drawdown under other borrowings, the following table shows the position at 31 December 2021 and 31 December 2020:

| | 2021 | | | |
|---|---|---|---|---|
| (Millions of euros) | Borrowing limit | Drawn down | Drawable | Consolidated debt |
| Construction | 190 | 57 | 132 | 40 |
| **OTHER BORROWINGS** | **190** | **57** | **132** | **40** |

| | 2020 | | | |
|---|---|---|---|---|
| (Millions of euros) | Borrowing limit | Drawn down | Drawable | Corporate debt |
| Construction | 259 | 84 | 175 | 58 |
| **OTHER BORROWINGS** | **259** | **84** | **175** | **58** |

The differences between total bank borrowings and the carrying amount thereof at 31 December 2021 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting legislation.

### a.2) Maturities by currency and fair value of borrowings excluding infrastructure projects

| Borrowings (millions of euros) | Currency | Fair value 2021 | Carrying amount 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027+ | Total maturities |
|---|---|---|---|---|---|---|---|---|---|---|
| **Corporate debt** | | **3,213** | **3,136** | **750** | **0** | **300** | **750** | **781** | **560** | **3,141** |
| | EUR | 3,213 | 3,136 | 750 | 0 | 300 | 750 | 781 | 560 | 3,141 |
| **Other borrowings** | | **41** | **41** | **1** | **5** | **2** | **7** | **25** | **16** | **57** |
| | EUR | 12 | 12 | 0 | 0 | 1 | 0 | 0 | 1 | 2 |
| | PLN | 28 | 28 | 1 | 5 | 2 | 7 | 7 | 7 | 28 |
| | Other | 1 | 1 | 0 | 0 | 0 | 0 | 18 | 9 | 27 |
| **TOTAL FINANCIAL BORROWING EXCLUDING INFRASTRUCTURE PROJECT COMPANIES** | | **3,254** | **3,178** | **751** | **5** | **302** | **757** | **806** | **576** | **3,198** |

The differences between the total maturities of financial borrowings and the carrying amounts of the debt at 31 December 2021 are primarily explained by the difference between the nominal values and carrying amounts of the borrowings, as certain adjustments are made in accordance with applicable accounting legislation (basically accrued interest payable and the application of the amortized cost method).

The fair value of bank borrowings excluding infrastructure project companies coincides with the related carrying amount because the borrowings are tied to floating market interest rates and, therefore, changes in the benchmark interest rates do not affect their fair value.

As regards corporate bonds: since they are quoted in an active market, the related market value is used.

In line with the aforementioned criteria, the estimated total fair value of bank borrowings and bonds excluding infrastructure project companies at 31 December 2021 is estimated at EUR 3,254 million.

The 2022 maturities amount to EUR 751 million and primarily relate to the maturity of the ECPs and corporate bonds. The borrowing maturities do not include interest.

### b) Cash and cash equivalents of other companies

The general method used to classify the cash and cash equivalents at short- and long-term coincides with that used in the preparation of the Consolidated Annual Accounts for 2020.

Also, at 31 December 2021 there were certain restricted accounts totaling EUR 72 million (31 December 2020: EUR 108 million) primarily relating to Construction, for operating motives in construction projects in the US.

## 5.3. CASH FLOW

The consolidated 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 for business purposes, 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 the cash generated, the Group separates cash flows into “Cash flows excluding infrastructure projects”, where infrastructure project concession operators are treated as financial assets and the investments in the capital of these companies are therefore included in cash flows from investing activities and the yields from the investments (dividends and capital reimbursements) are included in operations cash flow, and “cash flows from infrastructure projects”, consisting of cash flows from the operating and financing activities of infrastructure project concession operators.
- The treatment given to interest received on cash and cash equivalents differs from that in the cash flow statement prepared in accordance with IAS 7, since this interest is included in cash flows from financing activities, as a reduction of the amount of interest paid, under “interest cash flow”.
- This cash flow endeavors to present the changes in the net cash position as the net amount of financial borrowings, cash and cash equivalents and restricted cash. This method also departs from that established in IAS 7, which explains 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 included in changes in working capital in 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. The total amount of lease instalments reported in the cash flow statement amounts to EUR -131 million at December 2021, of which EUR -74 million related to continuing operations (Note 3.7) and EUR -57 million related to discontinued operations.
- 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 outlined in Note 1.1.3, the cash flow reported in this note includes 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 flow is also discussed in the management report that was formally prepared together with these Consolidated financial statements.

| December 2021 | Note | Cash flow excluding infrastructure project companies | Cash flow of infrastructure project companies | Removals | Consolidated cash flow |
|---|---|---|---|---|---|
| | | December 2021 (Millions of euros) | | | |
| EBITDA including discontinued operations | 2 | 442 | 499 | 0 | 942 |
| IFRS-16 impact | | -131 | 0 | 0 | -131 |
| EBITDA including discontinued operations and IFRS 16 | | 311 | 499 | 0 | 810 |
| Dividends receipts and other flows from equity-accounted companies | 3.5 | 550 | -2 | -276 | 272 |
| Change in working capital (receivables, payables and other) | | -254 | 5 | 0 | -249 |
| **Operating cash flow before tax** | | **607** | **503** | **-276** | **834** |
| Taxes paid in the year | 2.8.1 | -121 | -34 | 0 | -155 |
| **Cash flows from operating activities** | | **486** | **469** | **-276** | **679** |
| Investment | 3.2, 3.3 and 3.4 | -1,112 | -239 | 65 | -1,285 |
| Divestment | 1.1.3 | 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 | -271 |
| Other movements in shareholder’s funds | | -5 | 5 | 0 | 0 |
| Exchange rate effect | | 49 | -252 | 0 | -202 |
| Consolidation scope changes | 1.1.3 | -256 | -1,482 | 0 | -1,738 |
| Other movements in borrowings (no cash flows) | | -13 | -4 | 0 | -17 |
| **Cash flows from financing activities** | | **-804** | **-2,332** | **210** | **-2,926** |
| **Change in net cash position** | 5 | **191** | **-2,102** | **0** | **-1,911** |
| **Opening position** | | **1,991** | **-4,532** | **0** | **-2,541** |
| **Closing position** | | **2,182** | **-6,633** | **0** | **-4,451** |

**Changes in working capital:**

The changes in working capital disclosed in the table above (EUR -249 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.

Thus a reduction in the balance of trade receivables will give rise to an improvement in working capital and a reduction of the balance of payables to suppliers will give rise to a worsening of working capital.

The changes in this line item do not coincide with the changes in working capital reported in Section 4 of the consolidated annual accounts as detailed in the following table:

| | EX-INFRASTRUCTURE PROJECT COMPANIES | INFRASTRUCTURE PROJECTS AND ADJUSTMENTS | TOTAL |
|---|---|---|---|
| Change in working capital (Note 4) | -67 | 131 | 64 |
| Change in working capital for discontinued operations and assets held for sale (Note 1.3) | 28 | -49 | -21 |
| Change in working capital including discontinued operations | -39 | 82 | 43 |
| Changes in working capital with an impact on other lines in the cash flow statement | -145 | -57 | -203 |
| Changes in provisions with an impact on EBITDA or on working capital | 85 | 0 | 85 |
| Changes in other balance sheet items with an impact on operating cash flow | -161 | -19 | -180 |
| **TOTAL WORKING CAPITAL REPORTED IN THE CASH AND CASH EQUIVALENTS STATEMENT (NOTE 5.3)** | **-259** | **5** | **-254** |

The differences detailed in the table relate to the following items:

- Changes in working capital with an impact on other lines in the cash flow statement (mainly investment cash flow). The working capital accounts reported in Note 4, in particular the payables to suppliers, can relate to transactions that do not affect operating cash flow, such as fixed asset purchases, as well as advances and work carried out for the concessions, which is in the cash flow from investing activities. In addition, the collection of the receivable that the Madrid Regional Government had with Cintra in relation to the administrative proceeding involving Autopista M-203 (Note 6.5.1.b) in the amount of EUR 73 million reported as dividends as it is treated as a return of the investment made.
- Changes in provisions with an impact on EBITDA or on working capital for EUR 85 million relating mainly to Construction (EUR 61 million), comprising the appropriation/reversal and application of provisions totaling EUR 60 million (Note 6.3) and other provisions and effects such as provisions for assets (doubtful receivables and inventories) amounting to EUR 1 million, and to other divisions (EUR 24 million), comprising the appropriation/reversal and application of provisions totaling EUR 23 million (Note 6.3) and other provisions and effects totaling EUR 1 million.
- Changes in other balance sheet items with an impact on operating cash flow. 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.

**Cash flow from discontinued operations:**

The cash flow from discontinued operations in the Services Division is set out below, which as commented in Note 1.1.3 is recognized in the reported cash flow lines:

| (Millions of euros) 2021 | EX-INFRASTRUCTURE PROJECT COMPANIES | INFRASTRUCTURE PROJECTS | ADJUSTMENTS | CONSOLIDATED |
|---|---|---|---|---|
| OPERATIONS CASH FLOW EX CORPORATE INCOME TAX | 227 | 34 | -25 | 236 |
| Corporate income tax cash flow | -69 | -4 | 0 | -73 |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | **158** | **30** | **-25** | **163** |
| Investment | -67 | -2 | 0 | -68 |
| Divestment | 0 | 0 | 0 | 0 |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | **92** | **28** | **-25** | **95** |
| CASH FLOWS FROM FINANCING ACTIVITIES (NON-CONTROLLING INTERESTS) | 0 | -3 | 0 | -3 |

| (Millions of euros) 2020 | EX-INFRASTRUCTURE PROJECT COMPANIES | INFRASTRUCTURE PROJECTS | ADJUSTMENTS | CONSOLIDATED |
|---|---|---|---|---|
| OPERATIONS CASH FLOW EX CORPORATE INCOME TAX | 402 | 43 | -23 | 422 |
| Corporate income tax cash flow | -2 | -1 | 0 | -3 |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | **400** | **41** | **-23** | **419** |
| Investment | -80 | -8 | 1 | -88 |
| Divestment | 300 | 0 | 0 | 300 |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | **620** | **33** | **-22** | **631** |
| CASH FLOWS FROM FINANCING ACTIVITIES (NON-CONTROLLING INTERESTS) | -10 | -7 | 0 | -17 |

The cash flow reported in 2020 is detailed below:

| December 2020 | | Cash flow excluding infrastructure project companies | Cash flow of infrastructure project companies | Removals | Consolidated cash flow |
|---|---|---|---|---|---|
| | | | | | December 2020 (Millions of euros) |
| EBITDA including discontinued operations | 2 | 203 | 384 | 0 | 587 |
| NIIF-16 | | -89 | 0 | 0 | -89 |
| EBITDA including discontinued operations and IFRS 16 | | 114 | 384 | 0 | 498 |
| Dividends receipts and other flows from equity-accounted companies | 3.5 | 458 | 0 | -159 | 299 |
| Change in working capital (receivables, payables and other) | | 268 | 40 | 0 | 308 |
| **Operating cash flow before tax** | | **839** | **425** | **-159** | **1,105** |
| Taxes paid in the year | 2.8.1 | -89 | -12 | 0 | -101 |
| **Cash flows from operating activities** | | **750** | **413** | **-159** | **1,004** |
| Investment | | -286 | -128 | 18 | -397 |
| Divestment | 1.1 | 501 | 0 | 0 | 501 |
| Cash flows from investing activities | | 215 | -128 | 18 | 104 |
| **Cash flows from operating activities** | | **965** | **284** | **-141** | **1,108** |
| Interest cash flows | 2.6 | -21 | -229 | 0 | -250 |
| Capital cash flows from non-controlling interests | | 17 | 20 | -18 | 19 |
| Scrip dividend | | -122 | 0 | 0 | -122 |
| Treasury share purchases | | -255 | 0 | 0 | -255 |
| Shareholder remuneration | 5 | -377 | 0 | 0 | -377 |
| Dividends paid to non-controlling interests of investees | | -26 | -266 | 159 | -133 |
| Other movements in shareholder's funds | | -24 | 0 | 0 | -24 |
| Exchange rate effect | | -95 | 296 | 0 | 201 |
| Consolidation scope changes | 1.1.3 | -78 | 0 | 0 | -78 |
| Other movements in borrowings (no cash flows) | | -2 | -49 | 0 | -51 |
| **Cash flows from financing activities** | | **-605** | **-228** | **141** | **-692** |
| **Change in net cash position** | 5 | **360** | **56** | **0** | **416** |
| **Opening position** | | **1,631** | **-4,588** | **0** | **-2,957** |
| **Closing position** | | **1,991** | **-4,532** | **0** | **-2,541** |

## 5.4. MANAGEMENT OF FINANCIAL RISKS AND CAPITAL

The Group's business is affected by changes to the financial variables that have an impact on the Group's accounts, these being mainly interest rate risk, exchange rates, inflation, credit, liquidity and variable income. The policies adopted by the Group in 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 variations

Ferrovial's businesses are subject to changes into interest rate fluctuations that 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 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 levels at non-infrastructure project level, although such hedging can affect liquidity in the event of cancellation.

At infrastructure project level, the banks and rating agencies require a higher percentage of fixed-rate debt. These strategies are implemented by issuing fixed-rate debt or by arranging hedging financial derivatives, 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 of borrowings that is considered to be hedged (either by a fixed rate or by derivatives).

| BORROWINGS (Millions of euros) | 2021 Total gross debt | % debt hedged | Net exposed debt | Impact on profit/(loss) + 100 b.p. |
|---|---|---|---|---|
| Ex-infrastructure project companies | 3,211 | 92% | 267 | 3 |
| Toll roads | 7,264 | 99% | 99 | 1 |
| Construction | 96 | 100% | 0 | 0 |
| Airports | 304 | 100% | 0 | 0 |
| Infrastructure projects | 7,664 | 99% | 99 | 1 |
| **Total borrowings** | **10,875** | **97%** | **377** | **4** |

| BORROWINGS (Millions of euros) | 2020(*) Total gross borrowing | % debt hedged | Net exposed debt | Impact on profit/(loss) + 100 b.p. |
|---|---|---|---|---|
| Ex-infrastructure project companies | 4,524 | 87% | 572 | 6 |
| Toll roads | 4,962 | 98% | 101 | 1 |
| Construction | 90 | 94% | 5 | 0 |
| Airports | 54 | 100% | 0 | 0 |
| Infrastructure projects | 5,106 | 98% | 107 | 1 |
| **Total borrowings** | **9,630** | **93%** | **683** | **7** |

(*) 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 2021 would increase financial expenses in the income statement by an estimated EUR 4 million, of which EUR 1 million relates to infrastructure projects and EUR 3 million to ex-infrastructure project companies, entailing a net impact on Ferrovial's results of EUR 3 million (expense).

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 2021 would, in the case of the effective hedges, have a positive impact of approximately EUR 107 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 184 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 its expected net exposure with regard to each currency over the coming years, both for dividends receivable and as regards investments in new projects, or potential divestments.

Ferrovial establishes its hedging strategy by analyzing past changes in both short- and long-term exchanges rates, establishing monitoring mechanisms such as future projections and long-term equilibrium exchange rates. These hedges are established by using foreign currency deposits or arranging 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 2021, adjusted by the aforementioned currency forwards relating to each currency:

| Currency (Millions of euros) | Assets | Liabilities | Parent company shareholders' | DEC. 2021 Non-controlling interests |
|---|---|---|---|---|
| Euro | 3,675 | 2,035 | 1,495 | 145 |
| Pound sterling | 1,832 | 1,884 | -54 | 1 |
| US dollar | 13,267 | 10,383 | 1,442 | 1,443 |
| Canadian dollar | 3,506 | 2,806 | 700 | 0 |
| Australian dollar | 171 | 128 | 43 | 0 |
| Polish zloty | 1,551 | 1,206 | 144 | 202 |
| Chilean peso | 314 | 226 | 88 | 0 |
| Colombian peso | 119 | 36 | 83 | 0 |
| Indian rupee | 378 | 327 | 51 | 0 |
| Other | 81 | 25 | 56 | 0 |
| **TOTAL GROUP** | **24,896** | **19,057** | **4,048** | **1,791** |

Note 1.4 contains a breakdown of the changes in the year in the closing exchange rates. As a result of these changes, the impact of currency translation differences on equity at 31 December 2021 was EUR 106 million for the parent company. The breakdown by currency is detailed 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 273 million, of which 29% would relate to the impact of the Canadian dollar, 59% to the US dollar and 2% to the Indian rupee.

Note 1.4 contains a detail of the changes in the year in the average exchange rates. In this regard, the impact of a 10% appreciation of the euro against other currencies on the income statement would have amounted to a change of EUR 94 million.

**c. Exposure to credit and counterparty risk**

The Group's main financial assets exposed to credit or counterparty risk are as follows:

| | 2021 | 2020 (*) | Var. 21/20 |
|---|---|---|---|
| Investments in financial assets (1) | 1,017 | 2,484 | -1,467 |
| Non-current financial assets | 1,048 | 1,023 | 25 |
| Net financial derivatives (assets) | 309 | 547 | -238 |
| Trade and other receivables | 1,317 | 1,367 | -50 |

(1) Included in cash and cash equivalents

(*) Restated figures (Note 1.1.5)

- Ferrovial actively and continuously monitors the risk it has with the counterparties with which it has financial transactions and performs internal credit quality analyses for each of the financial institutions with which it has exposure.
- Its internal regulations for managing surpluses sets maximum investment limits for each counterparty, based on objective criteria: a minimum acceptable risk is required in order for surplus cash to be invested, and limits are also set on the amounts invested, depending on the risk given to each of these counterparties. In addition, the Risk Department monitors the performance of each of the different counterparties, proposing the appropriate protective or corrective measures on the basis of specific events.
- Territories: Ferrovial monitors the performance of the markets (territories) in which it has a presence, along with that of its target markets. The Financial Risk Department proposes the potential action to be taken in the event that some change in risk levels is expected in a particular territory or market.

- Customers: Ferrovial analyses and monitors its customers' credit risk, using an internal methodology for the rating of Ferrovial customers that is standardized for the whole Group.

**d. Exposure to liquidity risk**

The Group has established the mechanisms necessary to preserve the level of liquidity that reflect the cash generation and need projections, in relation to both short-term collections and payments and obligations to be met at long term.

**Ex-infrastructure project companies**

At 31 December 2021, cash and cash equivalents amounted to EUR 5,319 million (2020: EUR 6,378 million). Also, at that date undrawn credit lines totaled EUR 782 million (2020: EUR 1,105 million) and forwards hedging cash denominated in currencies other than the euro in the amount of EUR -22 million (EUR 14 million in 2020).

Total liquidity therefore reached EUR 6,080 million (EUR 7,500 million in December 2020). Including discontinued operations, liquidity would total EUR 6,421 million (EUR 7,964 million in December 2020).

**Infrastructure projects**

At 31 December 2021, cash and cash equivalents (including short-term restricted cash) amounted to EUR 207 million (2020: EUR 148 million). Also, at that date undrawn credit lines amounted to EUR 115 million (2020: EUR 25 million), which were primarily arranged to cover committed investment needs.

Total liquidity (including long-term restricted cash) reached EUR 901 million (EUR 823 million in December 2020). Including discontinued operations, liquidity would total EUR 945 million (EUR 938 million in December 2020).

**e. Exposure to variable income risk**

Ferrovial is also exposed to the risk relating to the fluctuation of its share price. This exposure arises specifically 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.

The market value of equity swaps, which are not considered accounting hedges, has an impact on the income statement. In this sense, an increase or decrease of 1 euro in the value of the Ferrovial share would have an impact of approximately EUR 10.9 million positive/negative on Ferrovial's net income.

**f. Exposure to inflation risk**

Much of the revenue from infrastructure projects is linked to tariffs that vary directly with inflation. This applies both to highway contract tariffs and HAH. Thus, a scenario of rising inflation such as the current one will have an impact on an increase in cash flow from this type of asset.

In construction contracts, the recent increase in inflation may have a negative impact on operating margins. This risk is partially mitigated in certain jurisdictions by the existence of inflation-adjustment clauses in the contracts, as is the case in Poland or in certain contracts in Spain. In the absence of such clauses, the risk is hedged by closing the main direct costs at the time of bidding. In certain cases, derivatives have also been contracted to hedge the impact of inflation, as was the case during the year in the United States. These derivatives have been considered speculative and, therefore, the variation in fair value has been recorded against the profit and loss account, with a positive impact of EUR 7 million, and they were also settled in the same year, which has generated a positive impact on cash of EUR 7 million.

In the case of the toll road concessionaire Autema, there is a derivative linked to Spanish inflation. At the end of 2020, 37% was discontinued as a result of the change in the financial model to intangible. The remainder (63%) is still considered as an accounting hedging instrument. A 100 b.p. increase in the entire inflation curve would have a negative impact on reserves of EUR -95 million and a EUR -56 million euro impact on results.

**g. Capital management**

The Group aims to achieve a debt-equity ratio that makes it possible to optimize costs while safeguarding its capacity to continue managing its recurring activities and the capacity to continue to grow through new projects in order to create shareholder value.

With regard to financial borrowings, Ferrovial Group's objective is to maintain a level of indebtedness, excluding infrastructure projects, in a way that will allow it to retain its “investment grade credit rating”. In order to achieve this target it has established a clear and consistent financial policy in which a relevant metric refers to the maintenance of an ex-projects net debt (gross debt less cash) to EBITDA ratio, plus dividends from projects, of no more than 2:1.

At 31 December 2021, the net cash position is positive (assets exceeded liabilities) and, therefore, the difference with respect to the maximum debt-equity ratio established is very 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 profit from operations before impairment losses, disposals and depreciation and amortization of the Group Companies other than infrastructure concession operators, plus the dividends received from infrastructure project companies.

## 5.5. FINANCIAL DERIVATIVES AT FAIR VALUE

### a) Disclosure by type of derivative, changes, maturity dates and main features

The table below includes a detail of the fair values of the derivatives arranged at 31 December 2021 and 2020, 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):

| TYPE OF INSTRUMENT | FAIR VALUE | | NOTIONAL MATURITIES | | | | | |
|---|---|---|---|---|---|---|---|---|
| | BALANCES AT | BALANCES AT | 2022 | 2023 | 2024 | 2025 | 2026 and beyond | TOTAL |
| (Millions of euros) | 31/12/2020 | 31/12/2021 | | | | | | |
| **ASSET BALANCES** | **309** | **486** | **398** | **-3** | **-4** | **-3** | **274** | **661** |
| Cintra index-linked swaps (inflation derivatives) | 299 | 489 | -2 | -3 | -4 | -3 | 78 | 66 |
| Corporate IRS | 0 | 4 | 0 | 0 | 0 | 0 | 0 | – |
| Equity swaps | 11 | -3 | 65 | 0 | 0 | 0 | 0 | 65 |
| Corporate Exchange rate derivatives | 0 | 1 | 0 | 0 | 0 | 0 | 0 | – |
| Other derivatives | -1 | -5 | 334 | 0 | 0 | 0 | 196 | 530 |
| **LIABILITY BALANCES** | **405** | **438** | **5,343** | **344** | **44** | **48** | **1,064** | **6,843** |
| Cintra interest-rate swaps (interest-rate derivatives) | 285 | 374 | 78 | 23 | 28 | 35 | 677 | 842 |
| Corporate Cross Currency Swaps | 8 | 26 | 250 | 0 | 0 | 0 | 0 | 250 |
| 4352238 Canda Inc. Cross Currency Swaps | 1 | -23 | 198 | 0 | 0 | 0 | 0 | 198 |
| Corporate IRS | 31 | 44 | 0 | 0 | 0 | 0 | 350 | 350 |
| Interest rate swaps Amey | 16 | 21 | 0 | 0 | 0 | 0 | 0 | – |
| Interest rate swaps Aragón Toll Road | 6 | 9 | 10 | 10 | 11 | 12 | 5 | 48 |
| Corporate Exchange rate derivatives | 2 | 0 | 37 | 94 | 0 | 0 | 0 | 131 |
| Other derivatives | 55 | -12 | 4,770 | 217 | 5 | 2 | 32 | 5,025 |
| **NET BALANCES (LIABILITIES)** | **-96** | **48** | **-4,945** | **-347** | **-48** | **-51** | **-790** | **-6,182** |

The cash flows comprising the fair value of the derivatives mature as follows:

| TYPE OF INSTRUMENT | FAIR VALUE | | NOTIONAL MATURITIES | | | | | |
|---|---|---|---|---|---|---|---|---|
| | BALANCES AT | BALANCES AT | 2022 | 2023 | 2024 | 2025 | 2026 and beyond | TOTAL |
| (Millions of euros) | 31/12/2021 | 31/12/2020 | | | | | | |
| **ASSET BALANCES** | **309** | **486** | **27** | **14** | **16** | **17** | **235** | **308** |
| Cintra index-linked swaps (inflation derivatives) | 299 | 489 | 14 | 14 | 16 | 17 | 239 | 299 |
| Corporate IRS | 0 | 4 | 0 | 0 | 0 | 0 | 0 | – |
| Corporate Cross currency swaps | 11 | -3 | 11 | 0 | 0 | 0 | 0 | 11 |
| Corporate Exchange rate derivatives | 0 | 1 | 0 | 0 | 0 | 0 | 0 | – |
| Other derivatives | -1 | -6 | 3 | 0 | 0 | 0 | -4 | -2 |
| **LIABILITY BALANCES** | **405** | **438** | **138** | **70** | **63** | **58** | **75** | **405** |
| Cintra interest-rate swaps (interest-rate derivatives) | 285 | 374 | 71 | 64 | 59 | 54 | 37 | 285 |
| Corporate Cross currency swaps | 8 | 26 | 8 | 0 | 0 | 0 | 0 | 8 |
| Cross-currency swaps, 4352238 Canada Inc | 1 | -23 | 1 | 0 | 0 | 0 | 0 | 1 |
| Corporate IRS | 31 | 44 | 1 | 5 | 3 | 3 | 19 | 31 |
| Interest rate swaps Amey | 16 | 21 | 0 | 0 | 0 | 0 | 16 | 16 |
| Interest rate swaps Aragón Toll Road | 6 | 9 | 2 | 2 | 1 | 1 | 0 | 6 |
| Corporate Exchange rate derivatives | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 2 |
| Other derivatives | 55 | -12 | 53 | 0 | 0 | 0 | 3 | 55 |
| **NET BALANCES (LIABILITIES)** | **-96** | **48** | **-111** | **-56** | **-48** | **-41** | **160** | **-96** |

### Toll road derivatives

#### Toll road interest rate swaps

In order to hedge the interest rate risk in toll road infrastructure projects, the borrowings of which bear interest at a variable rate (primarily Cintra Inversora Autopistas de Cataluña, S.A. and Euroscut Azores), the concession holders have arranged interest rate hedges on the projects' debt, establishing a fixed or increasing interest rate for a total notional amount of EUR 842 million at 31 December 2021. Overall, the fair value of these hedges increased from EUR -374 million at 31 December 2020 to EUR -285 million at 31 December 2021.

In general, the effectiveness test carried out periodically indicate that these derivatives are effective; therefore, the changes in their fair value are recognized in reserves, with an impact of EUR 89 million (EUR 65 million attributable to the parent company, after tax and non-controlling interests).

The changes in settlements and accruals gave rise to an impact on net financial income/(expense) of EUR -47 million and of EUR 47 million in cash.

### Index linked swaps, Toll roads

This item relates exclusively to Autema, which in 2008 arranged an index linked swap to hedge income variability, by means of which an annual CPI of 2.50% was fixed. The hedged underlying is the toll flows and the price compensation flows received from the Generalitat de Catalunya, which are adjusted for inflation. The decrease in the underlying generated by the change in the concession regime has led to the partial discontinuation of hedging, such that 63% of the derivative is currently considered as hedging and the remaining percentage is considered speculative. The increase in inflation in 2021 had an impact on reserves during the year of EUR -107 million and an impact on results of EUR -84 million.

### Toll road cross-currency swaps

In 2019, the company 4352238 Canada Inc arranged cross-currency swaps to hedge a financial investment in Canadian dollars. These instruments have a notional value of EUR 198 million (CAD 225 million), expire in 2022 and have a fair value of EUR 1 million.

### Corporate business derivatives

### Interest rate swaps, Corporate business

In relation to the bond issues launched in 2014, the Group arranged interest rate derivatives for a notional amount of EUR 350 million expiring in 2030. Since these derivatives, with a fair value of EUR -31 million, convert a portion of the fixed interest rate on the bonds into a floating interest rate, these derivatives constitute a partial fair value economic hedge of the aforementioned bond issues and they all qualify for hedge accounting.

This means that the fair value changes in both the derivative and the hedged item (in this case, a part of the bond) are carried at fair value through reserves. The fair value impact of these bonds amounted to EUR 13 million (2020: EUR 4 million).

### Cross currency swaps, Corporate business

At 31 December 2021, the Group recorded cross-currency swaps to hedge a drawdown on the US dollar corporate liquidity line (Note 5.2.2). These instruments have a notional value of USD 274 million (with an agreed counter value of EUR 250 million), maturities in 2022 and a fair value of EUR -8 million.

### Equity swaps

The Company has arranged equity swaps hedging the potential financial impact of the exercise of share-based remuneration schemes granted to employees.

These equity swap contracts are described below:

- The calculation base comprises a given number of Ferrovial shares and a reference price, which is usually the market 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 compensation equal to the dividends on those shares.
- When the swap expires, if the share price has risen, Ferrovial will receive the difference between the market share price and the reference price. If the share price has fallen, Ferrovial will pay the difference to the bank.

At the 2021 year-end, these derivatives had a notional value equivalent to 2.7 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.

### Exchange rate derivatives, Corporate

These derivatives relate to Corporate hedges of foreign currency risk, the main aim of which is to protect against the volatility of future cash flows in foreign currencies (primarily the pound sterling, the US dollar, and the Canadian dollar). Their notional value amounted to EUR 131 million at 31 December 2021, of which EUR 77 million relate to pound sterling, EUR 49 million to the US dollar, EUR 5 million to the Canadian dollar. They expire in the short-term.

The changes in their value are recognized as translation differences and amounted to EUR -10 million in 2021 (for effective derivatives). Options, which are not classified as accounting hedges, are recognized in financial results at fair value and in 2021 represented an expense of EUR 6 million.

### Other derivatives

This item includes the other derivatives contracted by the Group for a fair value of EUR -54 million, of which EUR -44 million relates to foreign exchange derivatives in the toll roads business, of which EUR -23 million hedge volatility in future Canadian dollar flows, with a notional amount of EUR 2,698 million (CAD 3,752 million) (see note 1.3). The remaining EUR -10 million essentially relates to interest rate swaps, hedging certain project borrowings in the Construction and Airports Divisions.

This heading also includes the inflation-linked derivatives for the Construction Division in the United States. These derivatives were classed as speculative and therefore the fair value change was taken to the income statement in the amount of EUR 7 million.

### B) MAIN IMPACTS ON PROFIT & LOSS AND EQUITY

The movements for accounting purposes in the main derivatives arranged by fully consolidated companies, detailing the fair values thereof at 31 December 2021 and 2020, and the impact on reserves, profit/(loss) and other balance sheet items are as follows:

| | FAIR VALUE | | | IMPACTS | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| TYPE OF INSTRUMENT (Millions of euros) | Balance at 31/12/2021 | Balance at 31/12/2020 | Var. | IMPACT ON RESERVES (I) | FAIR VALUE IMPACT ON PROFIT/(LOSS) (II) | IMPACT ON NET FINANC. INCOME/(EXPENSE) (III) | CASH (IV) | EXCHANGE RATE (V) | OTHER IMPACTS ON BALANCE SHEET OR INCOME (VI) | TOTAL |
| **Index-linked derivatives** | **299** | **489** | **-190** | **-107** | **-77** | **6** | **-22** | **0** | **10** | **-190** |
| Cash flow hedges | 299 | 489 | -190 | -107 | -77 | 6 | -22 | 0 | 10 | -190 |
| **Interest rate derivatives** | **-343** | **-455** | **113** | **126** | **1** | **-63** | **50** | **-1** | **-1** | **113** |
| Cash flow hedges | -343 | -460 | 117 | 118 | 1 | -55 | 54 | -1 | -1 | 117 |
| Fair value hedges | 0 | 4 | -4 | 8 | 0 | -8 | -4 | 0 | 0 | -4 |
| **Cross-currency swaps** | **-9** | **-2** | **-6** | **0** | **0** | **-24** | **-2** | **1** | **18** | **-6** |
| Cash flow hedges | -8 | -26 | 18 | 0 | 0 | 2 | -2 | 0 | 18 | 18 |
| Fair value hedges | -1 | 23 | -24 | 0 | 0 | -26 | 0 | 1 | 0 | -24 |
| **Foreign exchange derivatives** | **-54** | **19** | **-73** | **1** | **-28** | **0** | **194** | **-233** | **-7** | **-73** |
| Fair value hedges | -35 | 10 | -45 | 1 | -13 | 0 | 150 | -182 | 0 | -45 |
| Net foreign investment hedges | -19 | 8 | -27 | 0 | -9 | 0 | 39 | -51 | -7 | -27 |
| Speculative | 0 | 1 | -1 | 0 | -6 | 0 | 5 | 0 | 0 | -1 |
| **Equity swaps** | **11** | **-3** | **14** | **0** | **14** | **1** | **-1** | **0** | **0** | **14** |
| Speculative | 11 | -3 | 14 | 0 | 14 | 1 | -1 | 0 | 0 | 14 |
| **TOTAL** | **-95** | **48** | **-143** | **19** | **-90** | **-80** | **219** | **-232** | **20** | **-143** |

Derivatives are recognized at market value at the arrangement date and at fair value at subsequent dates. Changes in the value of these derivatives are recognized for accounting purposes as follows:

- The changes in the year in the fair value of the derivatives that qualify for cash flow hedge accounting are recognized with a balancing entry in reserves (column I).
- The changes in fair value of the derivatives that do not qualify for hedge accounting or that are considered to be held for speculative purposes are recognized as a fair value adjustment in the Group income statement (column II) and are reflected separately in the income statement.
- "Impact on net financial income/(expense)" (column III) reflects the impacts on net financial income/(expense) from financing arising from the interest flows accrued during the year.
- "Impact on cash" (column IV) indicates net payments and collections during the year.
- The impact of the difference between closing currency translation differences at December 2021 and 2020 is also presented separately (column V).
- The "other impacts" column shows the impacts on operating profit/(loss), net financial income/(expense) (exchange rate) or other impacts not considered in the other columns (column VI).

### C) DERIVATIVE VALUATION METHODS

All the Group's financial derivatives and other financial instruments carried at fair value are included in LEVEL 2 of the fair value measurement band, since although they are not quoted on regulated markets, the inputs on which their fair values are based are observable, either directly or indirectly.

The fair value measurements are performed by the Company using an internally developed measurement tool based on market best practices. However, they are in any event compared with the measurements received from the counterparty banks on a monthly basis.

Equity swaps are measured as the difference between the market price of the share 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 the net future cash inflows and outflows, discounted to present value, with the following specific features:

- Interest rate swaps: the future cash flows with floating reference rates are estimated by using current market projections at the measurement date for each currency and settlement frequency; and each cash flow is discounted using the market zero-coupon rate that is appropriate for the settlement period and currency in question at the measurement date.
- Index-linked swaps: the future cash flows are estimated by projecting the implicit future behavior in the market curves on the valuation 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 using the discount rates obtained at the measurement date for each flow settlement period and currency.
- Cross-currency swaps: the future cash flows with floating reference rates are estimated by using current market projections at the measurement date for each currency and settlement frequency; and each cash flow is discounted using the market zero-coupon rate that is appropriate for the settlement period and currency in question at the measurement date, including the 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, the future cash flows are estimated by using the exchange rates and market curves associated with each currency pair (forward points curve), and each flow is updated using the market zero-coupon rate that is appropriate for the settlement period and currency in question at the valuation date. For other more complex instruments (options, etc.), appropriate valuation methods are used for each instrument, taking into consideration the necessary market data (volatilities, etc.).

Lastly, credit risk, which pursuant to IFRS 9 was included in derivative measurements, is estimated as follows:

- In order to calculate the adjustments associated with own and counterparty credit risk (CVAs/DVAs), Ferrovial applies a methodology based on calculating the future exposure of the various financial products using Monte Carlo simulations. To this potential exposure, a probability of default and a loss given default based on the parties' business and credit quality are applied, as well as a discount factor based on the currency and applicable maturity at the valuation date.
- In order to calculate the probabilities of default of the Ferrovial Group companies, the credit risk management department assesses the rating of the counterparty (company, project, etc.) using a proprietary, rating agency-based methodology. This rating is used to obtain market spread curves according to the currency and term in question (generic curves by rating level).
- In order to calculate the probabilities of default of the balancing entries, the CDS curves of those companies are used, if available. Otherwise, the CDS curves of a similar entity (proxy) or a generic spread curve (by rating level) are used.

# SECTION 6: OTHER DISCLOSURES

This section includes other notes required under the applicable legislation.

Of particular note due to its importance is Note 6.5, contingent liabilities, contingent assets, obligations and commitments, in which the main lawsuits that affect the Group companies and guarantees provided are described, with particular emphasis on the guarantees provided by ex-infrastructure project companies on behalf of infrastructure project companies.

The changes in liabilities other than current liabilities and borrowings, such as the pension obligations (Note 6.2) and provisions (Note 6.3), are also analyzed.

## 6.1. DEFERRED INCOME

The detail of deferred income at 31 December 2021 and 2020 is as follows:

| (Millions of euros) | 2021 | 2020 (*) | CHANGE 21/20 |
|---|---|---|---|
| Capital grants | 1,379 | 1,257 | 122 |
| Other deferred income | 23 | 24 | -1 |
| **TOTAL DEFERRED INCOME** | **1,402** | **1,281** | **121** |

(*) Restated figures (Note 1.1.5)

Capital grants received from government bodies relate entirely to infrastructure projects in the Toll Roads Division.

These grants are mainly located in the following toll road projects: EUR 405 million for LBJ Infrastructure Group, EUR 490 million for NTE Mobility Partners, EUR 268 million for NTE Mobility Partners Segments 3 LLC and, lastly, EUR 204 million for I-77 Mobility Partners.

The main change during the financial year occurred at NTE Mobility Partners Segments 3, a Cintra subsidiary in the US, which received additional grants over the course of the year amounting to EUR 40 million.

The US companies have also seen their value increase by EUR 95 million due 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 these grants on cash flows is presented as an increase in investments.

## 6.2. PENSION PLAN DEFICIT

This line item reflects the deficit relating to pension and other employee retirement benefit plans. At 31 December 2021, the provision recognized in the balance sheet amounted to EUR 3 million and solely related to Budimex (31 December 2020: EUR 4 million).

## 6.3. PROVISIONS

The provisions recognized by the consolidated Group are intended to cover risks arising in the course of business. They are recognized using best estimates of the existing risks and uncertainties and related trends.

This note provides a breakdown of all the line items disclosed separately in provisions on the liabilities side of the balance sheet. In addition to these line items, there are other impairment losses and provisions that are presented as a reduction of certain asset line items and which are disclosed in the notes relating to those specific assets.

The movements in the long-term and short-term provisions presented separately in liabilities in the consolidated balance sheet were as follows:

| (Millions of euros) | LITIGATION AND TAXES | REPLACEMENT AND UPGRADES IFRIC 12 | OTHER LONG-TERM RISKS | TOTAL NON-CURRENT PROVISIONS | SHORT-TERM PROVISIONS | TOTAL |
|---|---|---|---|---|---|---|
| **Balance at 31 December 2020 (*)** | **291** | **58** | **93** | **442** | **952** | **1,394** |
| **Consolidation scope changes and transfers** | **35** | **-2** | **-42** | **-9** | **13** | **4** |
| **Allocations** | **32** | **32** | **10** | **74** | **433** | **507** |
| EBITDA | 19 | 0 | 10 | 29 | 433 | 462 |
| Net financial income/(expense) | 4 | 3 | 0 | 7 | 0 | 7 |
| Impairments and disposals | 0 | 0 | 0 | 0 | 0 | 0 |
| Corporate income tax | 9 | 0 | 0 | 9 | 0 | 9 |
| Fixed asset depreciation | 0 | 28 | 0 | 28 | 1 | 29 |
| **Reversals:** | **-56** | **0** | **-3** | **-60** | **-280** | **-339** |
| EBITDA | -13 | 0 | -3 | -16 | -201 | -217 |
| Net financial income/(expense) | 0 | 0 | 0 | 0 | 0 | 0 |
| Impairments and disposals | 0 | 0 | 0 | 0 | 0 | 0 |
| Corporate income tax | -44 | 0 | 0 | -44 | -78 | -122 |
| Fixed asset depreciation | 0 | 0 | 0 | 0 | -1 | -1 |
| **Applications with balancing items in working capital accounts** | **-28** | **0** | **0** | **-28** | **-134** | **-162** |
| **Applications with balancing items in other assets** | **0** | **-5** | **0** | **-5** | **0** | **-5** |
| **Foreign exchange differences** | **1** | **5** | **1** | **7** | **17** | **23** |
| **Balance at 31 December 2021** | **276** | **88** | **57** | **421** | **1,002** | **1,423** |

(*) 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

At 31 December 2021, the total litigation provisions for the group amounted to EUR 276 million. This item includes the following items:

- Provisions to cover the possible risks resulting from lawsuits and litigation in progress, amounting to EUR 67 million (December 2020: EUR 104 million), 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 209 million (31 December 2020: EUR 185 million), arising in relation to local or central government duties, income taxes and other taxes, as a result of the varying interpretations that can be made of the 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). During the year, EUR 41 million of the existing provision for the lawsuit related to the tax deductibility of international goodwill has been reversed (see note 6.5.1). The impact of the Services business is recognized in the net profit/(loss) from discontinued operations (see Notes 1.1.3 y 2.9).

### Provision for replacements pursuant to IFRIC 12

This line item includes the provisions for investments in replacements established by IFRIC 12 (see Note 1.3.3.2), the total amount of which amounted to EUR 88 million. This provision is recognized and reversed with a charge/credit, respectively, to the depreciation and amortization charge over the period in which the obligations accrue, until the replacement becomes operational. The impact of this depreciation and amortization amounts to EUR 28 million.

### Provisions for other long-term risks

This heading includes the 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 provided with enforcement risk and other similar items, which amounted to EUR 57 million at 31 December 2021 (31 December 2020: EUR 93 million).

The heading additionally contains the estimated cost of landfill closure and post-closure activities relating to the landfills operated in the Services business in Poland. The provision is calculated based on a technical estimate of the consumption to date of the total capacity of the respective landfills. This provision is reversed with a charge/credit, respectively, to changes in provisions within EBITDA, as the costs required for closure of the landfill are incurred. The balance of EUR 13 million for this heading at 31 December relates to the services business in Poland.

Finally, this total includes provision for the compulsory purchases for the Azores toll road.

### Short-term provisions

At 31 December 2021, the short-term provisions balance amounted to EUR 1,002 million (31 December 2020: EUR 952 million).

This entry primarily covers provisions relating to customer contracts, such as provisions for deferred expenses (relating to the completion of works and the removal of site equipment, pursuant to the contract) and provisions for budgeted losses. In this regard, these types of provisions are mainly focused on the Construction Division for EUR 855 million (2020: EUR 733 million).

This provision is recognized and reversed against changes to provisions in EBITDA.

The change in the year was mainly due to net provisions in the Construction Division EUR 221 million, mainly in the polish business, and the application of provisions (EUR -161 million), notably the application of budgeted losses in the US business. Also noteworthy was the reversal of the provision for corporate income tax assessments for 2003-2005, due to the non-deductibility of the portfolio of 407 Toronto Highway BV (see note 6.5.1.e).

Reconciliation with information reported in the cash flow statement

Analyzing the total effect on the income statement, of note is the net provision (expense) of EUR 245 million, which impacts gross operating profit, mainly corresponding to the Construction division (EUR 427 million of provision and EUR -206 million of reversal), mainly in the Polish activity.

In addition, provisions of EUR -162 million were recognized in working capital accounts during the year, mainly in the Construction division (EUR -161 million). The sum of provisions/reversal (EUR 245 million) and application (EUR -162 million) and other similar effects such as provisions for doubtful debts, which are not included in the detail of provisions for liabilities (EUR 2 million), are explained for working capital purposes in the cash flow, totaling EUR 85 million (see Note 5.3).

### 6.4. OTHER LONG-TERM PAYABLES

This heading includes:

- Participating loans granted by Spain's Central Government to various infrastructure project concession operators for an amount of EUR 49 million at 31 December 2021 (31 December 2020: EUR 47 million) in the Toll Roads Division for the Aragón toll road.
- Long-term loans with associates of the Toll Roads Division, amounted to EUR 22 million (31 December 2020: EUR 11 million).

### 6.5. CONTINGENT LIABILITIES, CONTINGENT ASSETS, OBLIGATIONS 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 financial statements in accordance with accounting legislation. It is not expected that any significant liabilities will arise that might represent a material adverse effect, other than those for which provisions have already been recognized

The detail of the most significant litigation, in terms of amount, in the Group's various business divisions is as follows:

**s) SH-130 legal proceedings: Toll roads and construction**

As indicated in the Group's six-monthly accounts, the two claims filed by the current shareholders of the project Concession Company (a lawsuit before the courts of Texas against companies owned by Ferrovial, Cintra and Ferrovial Construcción; and an arbitration proceeding before the International Chamber of Commerce against companies owned by Ferrovial Construcción) had been suspended, since the claimant and defendants had reached an initial agreement.

This initial arrangement led to the signing of an agreement on the 3rd September, putting an end to the two lawsuits. Ferrovial's contribution had been fully provisioned (USD 25 million in 2020 and an additional USD 17.4 million in 2021).

**b) Other litigation relating to the toll road business**

**Terrassa Manresa toll road (Autema):**

As indicated in the half-yearly accounts, on 19 October 2020 Autema was notified that the cassation appeal had not been given leave to proceed at the Supreme Court. As a result of this Supreme Court decision, the judgement issued by the High Court of Justice of Catalonia became final and fully applicable.

Following the non-admission of the cassation appeal, Autema changed the concession's accounting approach from the financial asset model to the intangible asset model.

Autema lodged an appeal for annulment against the non-admission of the cassation appeal, which was rejected as well. Then, Autema lodged an appeal for legal protection at the Constitutional Court, which was also not admitted on 15 June 2021.

**Court proceedings instigated by the financial institutions of the radial 4 project:**

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 a total of EUR 23 million, of which Cintra's share amounts to EUR 14.95 million.

The appeal lodged by the banking syndicate was upheld by the Provincial Court of Madrid after going into the details of the merits of the case. The defendant shareholders lodged a cassation appeal before the Supreme Court which was pending to be admitted on December 2020. There were no changes to the status of this litigation in 2021.

At year-end 2021 both the EUR 14.95 million of the guarantees given and the EUR 4.85 million in default interest accruing since the proceeding began are fully provisioned.

**M-203 toll road**

Legal proceedings initiated by the concession company M203 seeking compensation for the investments made (NIV) and for damages suffered due to the termination of the concession agreement due to the breach of contract by the Madrid Regional Government (CAM).

In October 2020, M203 was notified that the High Court of Justice of Madrid (TSJM) had ruled in favor of M203, ordering that the CAM shall issue the relevant NIV liquidation immediately.

At 31 December 2020, the final judgement issued by the TSJM was pending enforcement.

On 3 February 2021, M203 submitted a request to the TSJM for the enforcement of the judgement without delay.

As the CAM was still not complying with the judgement, on 2 June 2021 and then on 6 July 2021, M203 filed petitions to expedite proceedings so that the CAM fulfils the terms of the October 2020 judgement.

In 2021, M203 submitted several documents petitioning the court to take steps to sanction the CAM in order to enforce the 2020 judgement ordering the CAM to calculate and make payment of the NIV.

Finally, on 23 December 2021, the CAM notified M203 of a NIV calculation order ("NIV") stating the amounts that it agreed to pay, totaling EUR 73,388,672.44, of which EUR 68,062,634.52 relates to the principal (tax base of EUR 56,250,111.17; recognizing VAT payable of EUR 11,812,523.35) and EUR 5,326,037.92 relates to late-payment interest to 31 December 2021. On the same date, 23 December 2021, M203 cancelled the invoices issued in May 2018 (recognized as receivables) in the amount initially claimed when the CAM took possession of the works. New invoices were issued to the CAM (one for the principal plus VAT and the other for the late-payment interest recognized by the CAM). Finally, on 29 December 2021, M203 received full payment of the NIV from the CAM in the amount of EUR 73,388,672.44. M203 recognized a loss of EUR 3.8 million in the amount of the difference between the principal received (EUR 56.2 million) and the receivable recognized (EUR 60 million), which had already been provisioned.

The NIV Order can be appealed to the TSJM, so M203 will instigate a new contentious-administrative appeal to claim the difference between the amounts not recognized by the CAM in the sum paid on 29 December 2021 and those considered by M203 (initially valued at approximately EUR 4 million in principal and EUR 1 million in interest).

### c) Litigation relating to the Construction business

The Construction Division is involved in a number of ongoing legal actions, relating principally to potential construction defects in the completed building work and claims for civil liability.

The main lawsuit relates to the penalty proceeding initiated by the Spanish National Market and Competition Commission (CNMC), as described below.

#### 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 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.

In March 2020, the Competition Directorate (CD) gave notice of a proposed penalty of EUR 48 million and, in July 2020, the CNMC's Competition Court declared the proceedings to have expired and ordered the raising of new proceedings relating to the same events. Ferrovial Construcción appealed the decision at the National High Court. In January 2022, the National High Court gave the appeal leave to proceed and it is currently being processed.

In parallel to the previous appeal, in April 2021, a new list of charges drawn up by the Competition Directorate was received containing the investigation findings and a description of the facts that could constitute an infringement of competition law. In May 2021, a writ of defense allegations was presented stating that the infringements claimed by the Directorate had not taken place. In June, notification of the proposed penalty of EUR 48 million was received, for which does not end the penalty proceeding, the CNMC's board having competence to take the final decision. This proceeding had not been resolved at year-end 2021.

The Group considers that the outcome of this lawsuit is unlikely to be unfavorable and therefore no amount has been provisioned in this respect.

### d) Litigation and other contingent liabilities relating to the Services business (discontinued operations)

#### Services business in the UK

#### WBHO lawsuit

On 22 December 2020, WBHO, a subcontractor to Amey Consulting Australia Pty Limited filed a lawsuit against the company in the New South Wales Supreme Court. The lawsuit seeks the payment of approximately AUD 54 million for the following items: i) ordinary damages; ii) damages relating to alleged misleading or improper conduct under the terms of Australian Consumer Law during the tendering phase; iii) compensation for alleged breaches of contract and additional expenses incurred by WBHO originating from two other subcontractors; iv) interest; and v) costs.

The basis for the legal action is that Amey failed to meet the milestones for finalization of the design, so the project took longer and WBHO incurred additional construction costs that had not been considered on the date of the contract.

There are no details of the claim and, in fact, Amey has submitted several requests to the court for additional details and the court has ordered WBHO to further specify its claim on three occasions. The revised claim is expected by 1 April 2022. The company's insurers have been notified of the claim. Amey set aside a provision of AUD 2 million exclusively to settle any amounts that might not be covered by the insurance companies (policy excess).

#### Services business in Spain:

#### Litigation relating to the penalty proceedings opened by the Spanish National Markets and Competition Commission (CNMC) in relation to the road maintenance sector:

In July 2019, the CNMC initiated penalty proceedings against Ferroser Infraestructuras, S.A. and its Parent Ferrovial, S.A., as well as against other companies in the sector, due to alleged anti-trust practices during tendering for providing maintenance and operations services for the State Road Network, arranged by the Ministry of Public Works.

Following a procedural process, on 31 December 2020, the CNMC gave notice of its List of Established Facts, in which Ferrovial Servicios S.A.U. was also included. The corresponding allegations were submitted in February 2021.

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), although Ferrovial, S.A. is not held liable. It merely refers to FERROSER INFRAESTRUCTURAS, S.A. and, jointly and severally, its parent company FERROVIAL SERVICIOS, S.A. as the liable parties. As regards Ferrovial Servicios, the Board concludes that its involvement as a perpetrator has not been proven, but only as a party jointly and severally liable for Ferroser's conduct. The Board has imposed a fine of EUR 5.7 million on Ferroser. As regards the executives that took part in the conduct, the Board has requested that the Competition Directorate investigate their possible liability in a subsequent proceeding. Finally, the resolution declares that a prohibition on contracting may be imposed on the perpetrators but does not stipulate the duration or scope. These matters will be determined in a different proceeding before the Consultative Board on Administrative Procurement.

The Resolution was appealed in a contentious-administrative proceeding at the National High Court requesting precautionary measures consisting of the stay of enforcement of the appealed Resolution (suspension of payment of the penalty and of the prohibition on contracting with the government).

In December 2021, notification was received of the admission of the appeal and request for the CNMC to submit the administrative case file and summon the interested parties to appear as co-defendants. A separate decision is to be made regarding the petition for precautionary measures. On February 22, 2022 a notification has been received communicating the suspension of the sanctioning resolution, both in relation to the fine and the prohibition to enter into contract. The order conditions the suspension of the payment of the fine to the deposit of a guarantee within the usual period of two months.

Ferroser 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 (see Note 1.1.3). Ferrovial's sale and purchase agreement grants a guarantee to the buyer relating to this lawsuit, the amount of which has been included in the fair value estimate for the assets sold.

**Empresa de Mantenimiento y Explotación M-30, S.A. (EMESA).**

The Group, through the company Empresa de Mantenimiento y Explotación M-30, S.A. (EMESA), in which it holds a 50% stake, operates the M-30 infrastructure maintenance contract and holds a 20% interest in the public-private financial holding company Madrid Calle 30 (MC30), which is the holder of the concession agreement for this infrastructure.

During 2017, Madrid City Council, which also holds a stake in MC30, formed a municipal Investigation Commission that (i) recommended the reversal of the MC30 management model to 100% municipal ownership and (ii) asked the City Council to determine liability for power supply payments made by MC30 until then.

In 2018, EMESA filed an appeal against the City Council's decision to approve the Report by the Investigation Commission. The appeal was disallowed on the grounds of the absence of legal standing of the appellant (EMESA), although it was stated that the Investigation Committee's rulings are mere recommendations and are not binding on EMESA, which may only be affected by any final resolutions that may be issued by the City Council.

As regards liability for power supply payments, in 2020 MC30 claimed payment of this cost by EMESA. EMESA objected to paying. MC30 sent another letter to EMESA to the effect that (i) it considered the limitation period for the claim to have been interrupted; (ii) it conditions the instigation of legal actions by MC30 on the final decisions that may be taken by Madrid City Council. EMESA decided not to set aside any provision for this matter, as the Company's legal advisors believe that the arguments are robust and consider that, for now, no amounts are likely to be payable.

**e) Tax-related litigation**

As indicated in Note 6.3, Ferrovial recognizes tax provisions totaling EUR 209 million (of which EUR 2 million is recognized by the companies of the former Services Division now classified as discontinued operations). These provisions relate essentially to ongoing tax litigation arising from tax assessments raised following tax inspections in Spain for a disputed sum of EUR 333 million, the most significant being corporate income tax and VAT for the periods 2002 to 2017.

The most noteworthy lawsuits are as follows:

a) The proceedings relating to the amortization for tax purposes of financial goodwill on the acquisitions of Amey and Swissport. Ferrovial has filed an appeal against the European Commission's 2014 Decision ("Third Decision") in which this tax measure is declared to be state aid. Although we feel there are sound grounds supporting the Group's procedural stance, if a favorable court judgement is not issued the amount of EUR 84.5 million will be payable to the Spanish Treasury, of which EUR 36.8 million was already settled in 2017 and EUR 3.8 million was paid in 2021. In this unfavorable scenario, there would be a negative impact of EUR 84.5 million on Ferrovial's income statement.

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 116 million (fully provisioned).

c) As regards Ferrovial's lawsuit relating to corporate income tax for the financial years 2003 to 2005, in which the main point of law concerns the different interpretation given to the recognition of the provision for the portfolio of shares in Toronto Highway BV, an application for legal protection was filed at the Constitutional Court against the Supreme Court's judgement dismissing the case. This contingency of EUR 77.3 million (fully provisioned) was settled in 2021 (see Note 6.3).

### 6.5.2. Guarantees

**a) Bank guarantees and other guarantees issued by insurance companies**

In carrying on its activities the Group is subject to possible contingent liabilities – uncertain by nature – relating to the liability arising from the performance of the various contracts that constitute the activity of its business divisions.

In order to cover the aforementioned liability, the Group has bank guarantees and other guarantees issued by insurance companies. At 31 December 2021, the balance amounted to EUR 7,099 million (EUR 6,728 million at 31 December 2020).

The following table contains a breakdown of the risk covered in each business area.

| (Millions of euros) | Dec. 2021 | Dec. 2020 |
|---|---|---|
| Construction | 5,284 | 4,548 |
| Toll roads | 856 | 1,051 |
| Airports | 42 | 18 |
| Other | 315 | 299 |
| **Total continuing operations** | **6,497** | **5,915** |
| Services | 603 | 813 |
| **Total discontinued operations** | **603** | **813** |
| **TOTAL** | **7,099** | **6,728** |

The EUR 7,099 million, by type of instrument, relate to: i) EUR 3,041 million of bank guarantees; ii) EUR 3,401 million of guarantees provided by bonding agencies and iii) EUR 657 million of bank guarantees provided by insurance companies.

These guarantees cover the liability to customers for correct performance in construction or services contracts involving Group companies. So if a project were not executed, the customer would enforce the guarantee.

Despite the significant amount of these guarantees, the impact that might arise on the consolidated financial statements 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 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 498 million (Note 6.5.3.) secure its commitments to invest in the capital of infrastructure projects.

**b) Guarantees given by Group companies for other Group companies**

As indicated previously, in general guarantees are provided among Group companies to cover third-party liability arising from contractual, commercial or financial relationships.

Although these guarantees do not have any effect at consolidated Group level, there are certain guarantees provided by non-infrastructure project companies to infrastructure project companies (Note 1.1.2.) which, due to the classification of project borrowings as being without recourse, it is relevant to disclose (see Note b.1.). Contingent capital guarantees).

Other noteworthy guarantees have also been provided to equity-accounted companies (see b.2.).

**b.1) Guarantees provided by ex-infrastructure project companies to infrastructure project companies in relation to the borrowings of the latter that could give rise to future additional capital disbursements if the events guaranteed took place (contingent capital guarantees).**

Guarantees provided by non-infrastructure project companies to infrastructure project companies can be classified into the following two categories:

- Guarantees that address the correct performance in construction and service contracts which have been mentioned in 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 if the events guaranteed take place.

The latter guarantees are the ones that are going to be explained in further detail in this section since, as mentioned in Note 5.2., net cash position, the borrowings for infrastructure projects are without recourse to the shareholders or with limited recourse to the guarantees provided and, therefore, it is relevant to distinguish those guarantees that if the guaranteed event occurs, could be executed and could result in disbursements to the infrastructure projects or holders of their debt other than the committed capital or investment mentioned in Note 6.5.3. Such guarantees are called contingent capital guarantees.

The detail, by beneficiary company, purpose and maximum amount, of the outstanding guarantees of this nature at 31 December 2021 relating to fully consolidated infrastructure project companies is as follows. It should be noted that the amounts below 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 grantor | 67 |
| **GUARANTEES FOR CONSTRUCTION PROJECTS** | | **67** |
| I66 | Guarantee to cover cost overruns | 13 |
| **GUARANTEES FOR TOLLROAD PROJECTS** | | **13** |
| Centella | Technical guarantee to cover the achievement of project milestones and payment of any fines during the initial execution period | 12 |
| **GUARANTEES FOR ENERGY AND MOVILITY PROJECTS** | | **12** |
| **TOTAL GUARANTEES FOR FULLY CONSOLIDATED INFRASTRUCTURE PROJECTS** | | **93** |

There are also bank guarantees issued by third parties in the amount of EUR 3 million for possible cost overruns at the I66 project.

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 financial statements is as follows.

| BENEFICIARY COMPANY | GUARANTEE PURPOSE | AMOUNT |
|---|---|---|
| Ausol | Financial guarantee covering the contribution of contingent equity. | 3 |
| Serrano Park (Cintra) | Guarantee to cover repayment of the debt | 3 |
| Auto-Estradas Norte Litoral (Cintra) | Guarantee limited to compulsory purchase overruns. | 0 |
| Bucaramanga | Guarantee limited to construction works overruns. | 2 |
| **TOTAL GUARANTEES FOR EQUITY-ACCOUNTED INFRASTRUCTURE PROJECTS** | | **8** |

The significant reduction in the amount of these guarantees (EUR 8 million as compared with EUR 48 million in 2020) is due to the fact that an agreement was reached at the end of the year to sell URBICSA, this project having been secured in the amount of EUR 42 million at 31 December 2020. In addition to these guarantees, there are bank guarantees issued by third parties in the amount of EUR 3 million for possible cost overruns in the Ausol project.

In addition, the Company has provided a guarantee amounting to EUR 19 million in relation to the Radial 4 toll road, which was excluded from the consolidation scope in 2015. This amount is fully provisioned at 31 December 2021 and a related cassation appeal is currently in progress (Note 6.5.1.a)).

**b.2) Other guarantees provided to equity-accounted companies other than infrastructure project companies.**

Certain construction and services contracts are performed by equity-accounted companies often created specifically to execute contracts previously awarded to their shareholders. In these cases, the shareholders provide performance bonds relating to those contracts. The liability secured is similar to that indicated in Note 6.5.2.a.

They include guarantees provided in the Services Division by Amey UK PLC in favor of various equity-accounted companies that it has an ownership interest in. These guarantees total EUR 369 million, the most significant of which related to the contracts with the British Ministry of Justice and the Manchester tram network. It should be noted that the aforementioned amount relates to the annual amount of contracts not yet performed in proportion to Ferrovial's percentage of ownership.

**c) Security interests in assets**

The 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 2021, Ferrovial had received guarantees from third parties totaling EUR 1,149 million (31 December 2020: EUR 1,601 million), mainly in the Construction Division in the Ferrovial Construcción companies in the United States (EUR 645 million), the Budimex Group (EUR 153 million) and other construction companies (EUR 352 million), particularly noteworthy were the companies in the UK (EUR 126 million) and Australia (EUR 161 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 carried out by the Group 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 therefore takes into account only the investment commitments relating to the capital of the projects, since the investment in the assets is financed by the borrowings of the projects themselves.

**a) Investment commitments**

The investment commitments of the Group in relation to the capital of its infrastructure projects are as follows:

| (Millions of euros) | 2022 | 2023 | 2024 | 2025 | 2026 | 2027+ | TOTAL |
|---|---|---|---|---|---|---|---|
| Toll roads | 407 | 18 | 6 | 0 | 0 | 0 | 431 |
| Energy and mobility | 26 | 2 | 0 | 0 | 0 | 0 | 27 |
| **INVESTMENTS IN FULLY CONSOLIDATED INFRASTRUCTURE PROJECTS** | **432** | **20** | **6** | **0** | **0** | **0** | **458** |
| Toll roads | 25 | 0 | 0 | 27 | 0 | 0 | 52 |
| Energy and mobility | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| Construction | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| **INVESTMENTS IN EQUITY-ACCOUNTED INFRASTRUCTURE PROJECTS** | **31** | **0** | **0** | **27** | **0** | **0** | **58** |
| **TOTAL INVESTMENTS INFRASTRUCTURE PROJECTS** | **455** | **20** | **6** | **27** | **0** | **0** | **517** |

At 31 December 2021, the investment commitments amounted to EUR 517 million (2020: EUR 851 million). The Toll Roads Division includes EUR 349 million in relation to the I-66 project (2020: EUR 590 million). The energy and mobility investment commitments relate to a solar plant in Seville. The curtailment in investment commitments is primarily due to investments made in toll road projects in the US and Slovakia in 2021, as well as due to reaching financial closure at transmission line projects in Chile.

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% equity - 50% debt) subject to the fulfilment of certain liquidity conditions to the maturity date of the loan in 2024.

As indicated in 6.5.2.a), a part of these infrastructure project commitments, amounting to EUR 517 million, are secured by bank guarantees amounting to EUR 498 million.

There are also property, plant and equipment purchase commitments in the Services Division totaling EUR 1 million (2020: EUR 112 million). Such a large reduction in the amount of the commitments is due to the fact that they mostly related to the Environment Services business in Spain and Portugal, in respect of which a sale agreement was reached in December 2021.

| (Millions of euros) | 2022 | 2023 | 2024 | 2025 | 2026 | 2027+ | TOTAL |
|---|---|---|---|---|---|---|---|
| Acquisition of property, plant and equipment | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| **TOTAL SERVICES** | **0** | **1** | **0** | **0** | **0** | **0** | **1** |
| **TOTAL** | **0** | **1** | **0** | **0** | **0** | **0** | **1** |

In addition, there are investment commitments amounted to EUR 16 million in investments made in companies in which Ferrovial has a minority stake, and which develop innovation projects mainly related to energy and mobility.

**b) Environmental commitments**

Any operation designed 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 EXECUTIVES

### 6.6.1. Bylaw-stipulated Board of Directors' remuneration

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 General Shareholders' Meeting on 19 April 2021 defined the overall maximum annual amount of directors' remuneration for the duration of the policy (2021, 2022 and 2023), as a fixed sum.

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 the remuneration policy was applied in 2021 and a breakdown of the individual remuneration accrued to each director in 2021. The table below shows the itemized bylaw-stipulated remuneration of the members of the Board of Directors accrued during 2021 and 2020.

Should more meetings be held than initially envisaged or, for any other reason, should the amount of the per diems plus fixed allocations exceed the total maximum remuneration payable to directors for the year in question, the difference is deducted from the amount of the additional fixed allocation proportionally for each director on the basis of Board status.

The difference between the fixed and supplementary allowances for 2021 and 2020 is explained by a partial reduction in both items agreed by the Board of Directors due to Covid-19.

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.

**2021**

| DIRECTOR (a) (Thousands of euros) | FIXED ALLOWANCE | PER DIEMS | ADDITIONAL FIXED REMUNERATION | TOTAL |
|---|---|---|---|---|
| Rafael del Pino Calvo-Sotelo | 35 | 122 | 92 | **249** |
| 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** | **792** | **633** | **1,845** |

(a) Continuance in the post. Full year, unless otherwise stated.

**2020**

| DIRECTOR (a) (Thousands of euros) | FIXED ALLOWANCE | PER DIEMS | ALLOCATION | TOTAL |
|---|---|---|---|---|
| Rafael del Pino Calvo-Sotelo | 33 | 122 | 86 | **241** |
| Oscar Fanjul Martín | 33 | 83 | 70 | **186** |
| Ignacio Madridejos Fernández | 33 | 61 | 43 | **137** |
| María del Pino y Calvo-Sotelo | 33 | 61 | 43 | **137** |
| Santiago Fernández Valbuena | 33 | 69 | 43 | **145** |
| José Fernando Sánchez-Junco Mans | 33 | 81 | 43 | **157** |
| Joaquín del Pino y Calvo-Sotelo | 33 | 48 | 43 | **124** |
| Philip Bowman | 33 | 59 | 43 | **135** |
| Hanne Birgitte Breinbjerg Sorensen | 33 | 56 | 43 | **132** |
| Bruno Di Leo | 33 | 58 | 43 | **134** |
| Juan Hoyos Martínez de Irujo | 33 | 61 | 43 | **137** |
| Gonzalo Urquijo Fernández de Araoz | 33 | 59 | 43 | **135** |
| **TOTAL** | **394** | **819** | **587** | **1,800** |

(a) Continuance in the post. Full year, unless otherwise stated.

### 6.6.2. Individual executive directors' remuneration

**a) Remuneration accrued in 2021 and 2020.**

In 2021, the following remuneration accrued to the executive directors for the performance of their functions, irrespective of the remuneration referred to in the preceding section.

**2021**

| EXECUTIVE DIRECTORS' REMUNERATION * (Thousands of euros) | 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 2020** | **4,274** | **2,387** | **6,661** |

*Remuneration for their role 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 assigned to Ignacio Madridejos as remuneration in kind relating to a company car.

The 2020 information is shown in the following table:

| EXECUTIVE DIRECTORS' REMUNERATION * (Thousands of euros) | RAFAEL DEL PINO | IGNACIO MADRIDEJOS | TOTAL |
|---|---|---|---|
| | | | 2020 |
| Fixed remuneration | 1,405 | 937 | 2,342 |
| Variable remuneration | 1,620 | 810 | 2,430 |
| Life insurance premiums | 8 | 4 | 12 |
| Share plans (1) | 1,602 | 0 | 1,602 |
| **Total 2020** | **4,635** | **1,751** | **6,386** |

* Remuneration as executive directors

(1) In March 2020, a number of shares equivalent to the level of completion of the units allocated in 2017 were delivered, after the relevant withholdings had been made. The CNMV was notified on [*]

(2) In 2020, the amount of EUR 8 thousand was assigned 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 31.12.2021 | | UNITS | NO. OF VOTING RIGHTS | NO. OF VOTING RIGHTS |
|---|---|---|---|---|
| Rafael del Pino y Calvo-Sotelo | 2019 allocation | 70,000 | 70,000 | 0.01% |
| | 2020 allocation | 46,500 | 46,500 | 0.00% |
| | 2021 allocation | 67,500 | 67,500 | [*] |
| Ignacio Madridejos Fernández | 2019 allocation | 14,468 | 14,468 | 0.00% |
| | 2020 allocation | 46,500 | 46,500 | 0.00% |
| | 2021 allocation | 67,500 | 67,500 | [*] |

### 6.6.3. Pension funds and plans or life insurance premiums

As in 2020, no contributions were made in 2021 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 obligations were acquired during the year.

As regards life insurance premiums, the Company has insurance policies covering death (for which premiums totaling EUR 13 thousand were paid in 2021; EUR 12 thousand in 2020) 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, the parent company of which is the Company. Those insureds include the Company's Directors. The premium paid in 2021 under the aforementioned insurance policy amounted to EUR 1,300 thousand.

### 6.6.4. Advances and loans

At 31 December 2021, 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 2021 is analyzed below:

| SENIOR MANAGEMENT REMUNERATION (Thousands of euros) | 2021 | 2020 |
|---|---|---|
| Fixed remuneration | 5,636 | 5,317 |
| Variable remuneration | 5,033 | 3,657 |
| Performance-based share plan | 1,494 | 4,528 |
| 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 | 31 | 30 |
| Insurance premiums | 17 | 17 |
| Other (1) | 6,990 | 2,291 |
| **Total** | **19,201** | 15,840 |

(1) Three senior managers leaving (figure subject to personal income tax) and an appointment bonus.

The remuneration indicated relates to the following posts: General Secretary, Chief Financial Officer, HR General Manager, Construction General Manager, Services General Manager, Airports General Manager, Toll Roads General Manager, Energy Infrastructure and Mobility General Manager, Information Systems and Innovation General Manager, Internal Audit Director, Communications and Corporate Responsibility Director, Chief Strategy Officer, Risk and Compliance Director, Mobility Director and Sustainability Director. This does not include remuneration for senior managers who were also executive directors, which was addressed in 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 131 thousand from the Company, replacing the remuneration shown in the table above (EUR 48 thousand in 2020).

### 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 Labor 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 any 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 Labor 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 2021 amounted to EUR 2,187 thousand (EUR 2,006 thousand at 31 December 2020), of which EUR 441 thousand relate to the executive director. EUR 6,912 million in "Other" in table 6.6.5 relates mainly to the amounts received by three senior managers who left the Company in 2021. This amount does not affect the income statement for the year, as the Company expenses the amounts contributed annually to the group savings insurance policy, regardless of when the amounts are received.

## 6.7. SHARE-BASED REMUNERATION SCHEMES

### Performance-based share plan

At year-end 2021, Ferrovial has two remuneration schemes in place for the Group's executive directors, senior managers and managers, consisting of a performance-based share plan.

Long-term incentive plan approved by the Board of Directors on 28 February 2019. This plan will have a one-year term and the annual cost of the plan may not exceed EUR 22 million. The plan is tied to employees remaining at the Company for at least three years as from the grant date (barring special circumstances) and upon the achievement during the vesting period of ratios calculated on the basis of the relation between operating profit/(loss) and net productive assets and total shareholder return in relation to a comparable group.

The plan is intended for executive directors, senior managers and managers. The application of this plan to Executive Directors was authorized at the Company's Annual General Meeting held on 5 April 2019, as communicated to the CNMV on the same day.

Units were allocated for 2019 to the executive directors for the purposes of calculating plan duration and terms on 15 February 2019.

On 19 December 2019 the Board of Directors approved a new long-term incentive plan. The plan will be in force for three years (from 2020 to 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 Executives and Executives. The plan is intended for executive directors, senior managers and managers. The application of this form of remuneration to executive directors was submitted for approval by the Company's Annual General Meeting.

There were 2,054,531 shares outstanding at 31 December 2021 relating to these plans.

Changes to the share-based remuneration schemes in 2021 and 2020 are summarized below:

| | 2021 | 2020 |
|---|---|---|
| **Number of shares at beginning of year** | **2,468,724** | **3,125,747** |
| Plans granted | 909,578 | 622,004 |
| Plans settled | -292,413 | -930,106 |
| Shares surrendered and other | -954,346 | -307,068 |
| Shares exercised | -77,012 | -41,853 |
| **Number of shares at year-end** | **2,054,531** | **2,468,724** |

This share award plan includes the plans described above in Note 6.6 on remuneration of executive directors and senior managers.

The impact on the consolidated income statement of the Group in relation to these remuneration schemes in 2021 was an income of EUR 10 million (EUR -10 million of expenses in 2020) with a balancing entry in equity. The recognition of this income is due to the partial reversal of the provision recorded in previous years, since in both the plan that expired in 2021 and the one that expires in 2022, the degree of compliance with the conditions entitling to receive the remuneration has been lower than initially considered.

### Measurement of performance-based share plan.

These plans were accounted for as futures 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, and they are equity settled and, therefore, they are measured when granted and the initially calculated value thereof is not re-estimated. The related amounts are recognized under "staff expenses" with a balancing entry in reserves.

## 6.8. RELATED-PARTY TRANSACTIONS

As regards information on related-party transactions, the following disclosures relate to transactions performed both by Ferrovial, S.A. and all of its subsidiaries.

### Legislation

With regard to information on transactions that the Company (or its group companies) carries out with its related parties, International Accounting Standard 24 (the "IAS 24") must be taken into account.

Section 3 of IAS 24 establishes the requirement to include information on related party transactions, transactions, and outstanding balances (including commitments) in the consolidated and separate financial statements of a parent company, as well as in the individual financial statements. Its Section 9 defines related party transactions as any transfer of resources, services or obligations between a reporting entity and a related party, whether a price is charged.

### Related-party transactions

The commercial transactions between the Company (or its Group Companies) and related parties carried out in 2021 are disclosed below, in three separate categories: a) transactions between Ferrovial, S.A and its directors and senior executives; b) transactions between subsidiaries of Ferrovial, S.A and its directors and senior executives, 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 is marked with an asterisk (*).

[1] Note: The regulations applicable as of December 31, 2021 are described. Until the entry into effect on July 3, 2021 of Law 5/2021, of April 12, amending the revised text of the Capital Companies Law and other financial regulations, regarding the promotion of long-term shareholder involvement in listed companies, Order EHA 3050/2004, of September 15, 2004, on the information on related-party transactions to be provided by companies issuing securities admitted to trading on official secondary markets (the "EHA Order") has been considered.

### a) Transactions between Ferrovial, S.A and its significant shareholders, directors or senior managers

This heading includes transactions between Ferrovial, S.A. and its directors, senior executives, their close relatives, or entities in which one or the other has control or joint control. The 2020 information also includes transactions between Ferrovial, S.A. and entities in which its directors, senior executives and their close relatives may exercise significant influence (Order EHA), If the party related to the Company was considered as such during part of the year, the transactions carried out during that period are indicated.

(Thousands of euros)

| | | 2021 | | | 2020 | | |
|---|---|---|---|---|---|---|---|
| NAME/COMPANY NAME | TRANSACTIONS | AMOUNT | PROFIT OR LOSS | BALANCE | AMOUNT | PROFIT OR LOSS | BALANCE |
| Marsh | Receipt of insurance services | 0 | 0 | 0 | -7 | 0 | 0 |

Information on remuneration and loans granted to directors and senior managers can be consulted in Note 19.

### b) Transactions between subsidiaries of Ferrovial, S.A. and their significant shareholders, directors or senior managers

This heading includes transactions between subsidiaries of the Company and their directors, senior executives, their close relatives, or entities in which they have control or joint control. The 2020 information also includes transactions between subsidiaries of Ferrovial, S.A. and entities in which directors, senior executives of the Company and their close relatives may exercise significant influence (Order EHA). If the party related to the Company was considered as such during part of the year, the transactions carried out during that period are indicated.

(Thousands of euros)

| | | 2021 | | | 2020 | | |
|---|---|---|---|---|---|---|---|
| NAME/COMPANY NAME | TRANSACTIONS | AMOUNT | PROFIT OR LOSS | BALANCE | AMOUNT | PROFIT OR LOSS | BALANCE |
| D. Rafael del Pino y Calvo-Sotelo | Services rendered | 7 | 0 | 1 | 7 | 0 | 1 |
| Dª. María del Pino y Calvo-Sotelo | Services rendered | 6 | 1 | 0 | 8 | 1 | 0 |
| Dª. Ana María Calvo-Sotelo y Bustelo | Services rendered | 0 | 0 | 0 | 45 | 2 | 4 |
| Criu, S.L. | Services rendered | 17 | 1 | 2 | 19 | 1 | 2 |
| Cummins y sociedades del grupo | Services rendered | 0 | 0 | 0 | -1,129 | 0 | 0 |
| Maxam Holding y sociedades de su grupo | Services rendered | 0 | 0 | 0 | 1 | 0 | 0 |
| Marsh y sociedades de su grupo | Receipt of insurance services | 0 | 0 | 0 | -6,877 | 0 | 13 |
| Polan, S.A. | Services rendered | 159 | 1 | 59 | 152 | 2 | 42 |
| Fundación Centro de Innovación de Infraestructuras Inteligentes | Collaboration agreements | 0 | 0 | 0 | -800 | 0 | 0 |
| | Services rendered | 0 | 0 | 0 | 18 | 0 | 0 |
| Haya Real Estate, S.A. | Services rendered | 0 | 0 | 0 | 0 | 0 | 1 |
| Holcim Ltd. y sociedades del grupo | Adquisición cemento y materiales relacionados | 0 | 0 | 0 | -1,724 | 0 | -53 |
| | Waste collection | 0 | 0 | 0 | 52 | 1 | 18 |
| Sidecu, S.A. | Services rendered | 0 | 0 | 0 | 1 | 0 | 0 |

### c) Transactions between Group companies

Also described are transactions between the subsidiaries and the Company which, in all cases form part of their ordinary businesses as regards purpose and conditions and were not eliminated on consolidation for the following reason.

As explained in detail in Note 1.2.2, the 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 consolidated level, contracts of this type are classed as construction contracts in which the work – to the extent that it is completed – is deemed to be performed for third parties, as the ultimate owner of the work is the grantor both from a financial and legal viewpoint.

In 2021 Ferrovial's Construction Division billed these companies for the work performed and related advances amounting to EUR 955,920 thousand (2020: EUR 974,587 thousand), recognizing sales of EUR 1,016,628 thousand (2020: EUR 1,025,252 thousand).

The result not eliminated in the consolidation process derived from these operations, which is attributable to the percentage that the Company holds in the concession companies receiving the works and net of taxes and minority interests, amounted to EUR 5,748 thousand in 2021. In 2020 it amounted to EUR -18,702 thousand.

## 6.9. CONFLICTS OF INTEREST

I 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 related parties 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, following is a disclosure of the total fees relating to the “audit services” and “other consultancy services” provided by the auditors of the 2021 and 2020 financial statements of the Group Companies, including both the lead auditor of Ferrovial S.A. and the other auditors of all its subsidiaries.

“Fees for audit services” just include strictly statutory audit services.

The "Other services whose provision by the auditors is required by the applicable regulations" only include, as the name of the heading indicates, those whose provision by the auditor is mandatory, for example, the limited review of the company's interim financial statements or the issuance of "comfort letters" in debt issues.

The total of "Other non-audit services" provided by the lead auditor represented 2.74% of the total fees for audit services in 2021.

| Millions of euros | 2021 | 2020 (*) |
|---|---|---|
| **Fees for audit services** | **7** | **7** |
| **CONTINUING OPERATIONS** | **4** | **4** |
| Lead auditor | 4 | 3 |
| Other auditors | 0 | 1 |
| **DISCONTINUED OPERATIONS** | **3** | **2** |
| Lead auditor | 0 | 0 |
| Other auditors | 2 | 2 |
| **Other services required to be provided by statutory auditors under applicable regulations.** | **0** | **0** |
| **CONTINUING OPERATIONS** | **0** | **0** |
| Lead auditor | 0 | 0 |
| Other auditors | 0 | 0 |
| **DISCONTINUED OPERATIONS** | **0** | **0** |
| Lead auditor | 0 | 0 |
| Other auditors | 0 | |
| **Other audit services** | **0** | **1** |
| Lead auditor (**) | 0 | 1 |

(*) Includes final fees related to 2020 financial statements

(**) Most of this figure corresponds to invoices received in 2020 for 2019 expat personnel services.

## 6.11. EVENTS AFTER THE REPORTING DATE

On 1 February 2022, the sale agreement between Ferrovial and an entity controlled by funds managed by Portobello Capital for the infrastructure upkeep and maintenance business in Spain was completed once all the conditions precedent had been fulfilled, as explained in Note 1.1.3. Assets and liabilities held for sale and discontinued operations.

The same note explains that, also in February 2022, an agreement was reached to sell two small business areas within the Amey business related to energy and water infrastructure maintenance services and to infrastructure project company administration services.

In addition, Ferrovial through its Airports division, has reached an agreement with Turkish infrastructure company YDA Group, to acquire a 60% share of the company that manages the concession of the International Airport of Dalman, in Turkey, for EUR 140 million. YDA Group that has been operating the asset since 2006 and will retain the remain 40% share of the society, has made significant improvements to its facilities.

## 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 27/2014 of 27 November 2014 (CIT Act), applicable as from 1 January 2014 and therefore throughout 2021. 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 qualifying for the international double taxation deduction under PIT legislation, with respect to the taxes paid abroad by Ferrovial.

iii. 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 qualifying for the international double taxation deduction under PIT legislation, with respect to the taxes paid abroad by Ferrovial.

In 2021, all dividends were paid by Ferrovial out of "subject but exempt income".

4. 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 2021 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 2021, no foreign-source dividends were obtained.

**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 2021, as was the case in 2020, 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 amounting to 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 euros)

| | |
|---|---|
| Ferrovial, SA | 2,321,000,901.55 |
| Cintra Infraestructuras Irlanda, SLU | 6,143,952.38 |
| **TOTAL** | **2,327,144,853.93** |

In order 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 92% of Ferrovial's total market value at 31 December 2021. At 31 December 2020, this percentage amounted to 90.8%.

**Tax treatment of Ferrovial's scrip dividend**

In 2021, Ferrovial S.A. implemented two shareholder remuneration schemes named "Ferrovial Scrip Dividend", allowing shareholders to choose (i) to 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 (excluding Navarre and the Basque Country) and on the interpretation made by the Spanish Directorate General for Taxation in responses 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, the shareholders should consult their tax advisers 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 does 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 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 that the sale occurs. The amount obtained will be subject to personal income tax withholdings, at the applicable rate 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 supply related tax information to its shareholders. Shareholders are therefore advised to contact the relevant custodians in this regard.

2. Shareholders who pay personal income tax, without a permanent establishment in Spain.

In the case of non-resident shareholders, the amount obtained on the sale to the market of the bonus issue rights is also subject to the same rules established in tax legislation for pre-emption rights, therefore the transferring shareholder will be considered to have made a capital gain in the tax period that the sale occurs, subject to non-resident income tax at a 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 State 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 personal 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, the Ruling Request Responses and, if appropriate, the 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 regime 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 regime 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 OPERATIONS** | | | | | |
| **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 % | 165 | |
| Ferrofin, S.L. (a) | | Ferrovial, S.A. (a) | 48,0 % | 152 | |
| Temauri, S.L. (a) | | Ferrovial, S.A. (a) | 100,0 % | 9 | |
| Ferrovial 001, S.A. (a) | | Ferrovial, S.A. (a) | 100,0 % | 0 | |
| Ferrovial 004, S.L. (a) | | Ferrovial, S.A. (a) | 100,0 % | 0 | |
| Ferrovial 005, S.L. (a) | | Ferrovial, S.A. (a) | 100,0 % | 0 | |
| Ferrovial 006, S.A. (a) | | Ferrovial, S.A. (a) | 100,0 % | 0 | |
| Ferrovial Ventures, S.A. (a) | | Ferrovial, S.A. (a) | 100,0 % | 0 | |
| Acadia Servicios de Medioambiente, S.L. (a) | | Ferrovial Internacional, S.E. | 100,0 % | 204 | |
| Autovía de Aragón, Sociedad Concesionaria, S.A. | P | Ferrovial, S.A. (a) | 15,0 % | 3 | 2 |
| Pilum, S.A. (a) | P | Ferrovial, S.A. (a) | 15,0 % | 1 | 2 |
| Ferrovial Aravia, S.A. (a) | P | Ferrovial, S.A. (a) | 15,0 % | 0 | 2 |
| Sitkol, S.A.U. (a) | | Ferrovial 001, S.A. (a) | 100,0 % | 5 | |
| **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 |
| **IRELAND (Registered Office: Dublin, Ireland)** | | | | | |
| Landmille Ireland DAC | | Ferrovial, S.A. (a) | 100,0 % | 187 | 3 |
| **LUXEMBOURG (Registered Office: Luxembourg)** | | | | | |
| 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 % | 7.120 | 1 |
| Ferrovial Netherlands B.V. | | Ferrovial Internacional, S.E. | 100,0 % | 2 | 1 |
| Ferrovial Ventures NL B.V. | | Ferrovial Internacional, S.E. | 100,0 % | 9 | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| **UNITED STATES (Registered Office: Austin, United States)** | | | | | |
| Ferrovial Holding US Corp | | Cintra Infraestructures, S.E. | 100,0 % | 2.314 | |
| 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 % | 5 | 7 |
| **AUSTRALIA (Registered Office: Sidney)** | | | | | |
| Ferrovial Construction (Australia) PTY LTD | | Ferrovial Construction Holdings Ltd | 100,0 % | 4 | 1 |
| **BRAZIL (Registered Office: Bela Vista, Sao Paulo)** | | | | | |
| Constructora Ferrovial Ltd. (Brasil) | | Ferrovial Construction International S.E. | 99,0 % | 0 | |
| **CANADÁ (Registered Office: Markham - Ontario)** | | | | | |
| Ferrovial Construction Canadá Inc. | | Ferrovial Construction International S.E. | 100,0 % | | 1 |
| **CANADÁ (Registered Office: Toronto, Canada)** | | | | | |
| Ferrovial Services Canada (Holdings) Limited | | Ferrovial Services International, S.E. | 100,0 % | 12 | 5 |
| Ferrovial Services Ontario Limited | | Ferrovial Services Canada (Holdings) Limited | 100,0 % | 0 | |
| Ferrovial Services Canada Limited | | Ferrovial Services Canada (Holdings) Limited | 100,0 % | 0 | |
| Ferrovial Services Alberta Limited | | Ferrovial Services Canada (Holdings) Limited | 100,0 % | 0 | |
| **CHILE (Registered Office: Santiago de Chile)** | | | | | |
| Constructora Ferrovial Ltda. | | Ferrovial ENTITY Constructora Ltda. | 97,2 % | 0 | 1 |
| Ferrovial Construcción Chile S.A. | | Ferrovial ENTITY Constructora Ltda. | 100,0 % | 33 | 1 |
| Ferrovial ENTITY Constructora Ltda. | | Ferrovial Construction International S.E. | 100,0 % | 24 | 1 |
| Siemsa Chile, SPA | | Siemsa Industria S.A. (a) | 100,0 % | 0 | 1 |
| **SLOVAKIA (Registered Office: Bratislava)** | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| D4R7 Construction S.R.O. | | Ferrovial Construction Slovakia S.R.O. | 65,0 % | 4 | 3 |
| Ferrovial Construction Slovakia S.R.O. | | Ferrovial Construction Holdings Ltd | 99,0 % | 25 | 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 % | 73 | 1 |
| **SPAIN (Registered Office: Madrid)** | | | | | |
| Cocsa, S.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. | | Ferrovial Construcción, S.A. (a) | 99,0 % | 20 | 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 | |
| Autovía de Aragón, Sociedad Concesionaria, S.A. | P | Ferrovial Construcción, S.A. (a) | 25,0 % | 5 | 2 |
| Pilum, S.A. (a) | P | Ferrovial Construcción, S.A. (a) | 25,0 % | 0 | 2 |
| Ferrovial Aravia, S.A. (a) | P | Ferrovial Construcción, S.A. (a) | 25,0 % | 0 | 2 |
| Ferrovial Soluciones Energéticas, S.L.U. (a) | | Ferrovial Construccion, S.A. | 100,0 % | 12 | |
| Ferrovial Servicios Energéticos S.L.U. (a) | | Ferrovial Construccion, S.A. | 100,0 % | 14 | |
| **SPAIN (Registered Office: Zaragoza)** | | | | | |
| Depusa Aragón S.A. (a) | | Ferrovial Construcción, S.A. (a) | 42,3 % | 2 | 1 |
| Depusa Aragón S.A. (a) | | Cadagua, S.A. (a) | 51,7 % | 2 | 1 |
| **UNITED STATES (Registered Office: Atlanta)** | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Ferrovial Construction East, LLC | | Ferrovial Construction US Corp. | 100,0 % | 301 | |
| **UNITED STATES (Registered Office: Austin)** | | | | | |
| Cadagua US LLC | | Ferrovial Construction US Holding Corp. | 100,0 % | 14 | |
| Cintra ITR LLC | | Cintra Holding US Corp | 44,0 % | 46 | 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 % | 178 | |
| Ferrovial Construction US Corp. | | Ferrovial Construction US Holding Corp. | 100,0 % | 574 | 1 |
| Ferrovial Construction US Holding Corp. | | Ferrovial Holding US Corp. | 100,0 % | 930 | 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% | 0 | |
| Ferrovial Services U.S., Inc. | | Servicios (Delaware) Inc. | 100,0 % | 236 | |
| Ferrovial Services Infrastructure, Inc. | | Ferrovial Services U.S., Inc. | 100,0 % | 35 | 1 |
| Ferrovial Services Holding US Corp | | Ferrovial Holding US Corp | 100,0 % | 31 | |
| **UNITED STATES (Registered Office: Charlotte)** | | | | | |
| Sugar Creek Construction LLC | | Ferrovial Construction East, LLC | 70,0 % | 67 | |
| **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 % | 216 | 1 |
| **UNITED STATES (Registered Office: Katy)** | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| 52 Block Builders | | Webber Commercial Construction, LLC | 100,0 % | 0 | 1 |
| **UNITED STATES (Registered Office: Los Angeles)** | | | | | |
| 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 % | 46 | 1 |
| PLW Waterworks LLC | | Cadagua US, LLC | 50,0 % | 3 | 1 |
| PLW Waterworks LLC | | Webber, LLC | 50,0 % | 3 | 1 |
| Southern Crushed Concrete LLC | | Webber Equipment & Materials LLC - Sucursal en España | 100,0 % | 88 | 1 |
| W.W. Webber, LLC | | Ferrovial Construction US Holding Corp. | 100,0 % | 584 | 1 |
| Webber Barrier Services | | Webber, LLC | 100,0 % | 6 | 1 |
| Webber Commercial Construction LLC | | Webber, LLC | 99,0 % | 7 | |
| Webber Equipment & Materials LLC | | Webber, LLC | 100,0 % | 240 | 1 |
| Webber Holdings, LLC | | Ferrovial Construction US Holding Corp. | 100,0 % | 0 | |
| Webber Management Group LLC | | Webber Equipment & Materials LLC - Sucursal en España | 100,0 % | 41 | 1 |
| **UNITED STATES (Registered Office: Virginia)** | | | | | |
| FAM Construction LLC (I-66) | | Ferrovial Construction US Corp. | 70,0 % | 0 | 1 |
| **FRANCE (Registered Office: Paris)** | | | | | |
| Ferrovial Construction France, S.A. | | Ferrovial Construction International S.E. | 100,0 % | 13 | |
| **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)** | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Ferrovial Construction Ireland Ltd | | Ferrovial Construction Holdings Ltd | 100,0 % | 7 | 2 |
| **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 | |
| **POLAND (Registered Office: Cracow)** | | | | | |
| Mostostal Kraków S.A. | | Budimex SA | 100,0 % | 2 | 1 |
| Mostostal Kraków Energetyka sp. z o.o. | | Mostostal Kraków SA | 100,0 % | 0 | |
| **POLAND (Registered Office: Kamieńsk)** | | | | | |
| FBSerwis Kamieńsk Sp. z o.o. | | FBSerwis SA | 80,0 % | 0 | 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: Warsaw)** | | | | | |
| 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 % | 13 | 1 |
| Bx Parking Wrocław Sp. z o.o. | | Budimex SA | 51,0 % | 1 | 1 |
| FBSerwis SA | | Budimex SA | 100,0 % | 65 | 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 % | 0 | |
| **UNITED KINGDOM (Registered Office: London)** | | | | | |
| Ferrovial Construction (UK) Limited | | Ferrovial Construction Holdings Ltd | 100,0 % | 32 | 1 |
| Ferrovial Construction Holdings Limited | | Ferrovial Construction International S.E. | 100,0 % | 53 | 1 |
| **TOLL ROADS** | | | | | |
| **SPAIN (Registered Office: Madrid, Spain)** | | | | | |
| Cintra Infraestructuras España, S.L. (a) | | Ferrovial, S.A. (a) | 99,0 % | 657 | 1 |
| Cintra Infraestructuras Irlanda, S.L.U. (a) | | Cintra Global SE | 100,0 % | 3 | 1 |
| Cintra Inversora Autopistas de Cataluña, S.L. (a)(a) | P | Cintra Infraestructuras España, S.L. (a) | 100,0 % | 0 | 1 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| 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 España, S.L. (a) | 100,0 % | 318 | |
| Cintra Servicios de Infraestructuras, S.A. (a) | | Cintra Infraestructuras España, S.L. (a) | 100,0 % | 8 | 1 |
| Autopista Alcalá-O'Donnell, S.A. (a) | | Cintra Autopistas Integradas, S.A.U. | 100,0 % | 58 | |
| Autovía de Aragón, Sociedad Concesionaria, S.A. | P | Ferroser Infraestructuras , S.A.U. | 60,0 % | 11 | 2 |
| Pilum, S.A. (a) | P | Ferroser Infraestructuras , S.A.U. | 60,0 % | 0 | 2 |
| Ferrovial Aravia, S.A. (a) | P | Ferroser Infraestructuras , S.A.U. | 60,0 % | 0 | 2 |
| **SPAIN (Registered Office: Barcelona, Spain)** | | | | | |
| Autopista Terrasa-Manresa, S.A. (a) | P | Inversora Autopistas de Cataluña, S.L. (a) | 76,3 % | 445 | 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 |
| **CANADÁ (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 | |
| 4352238 Cintra Canada Inc | | 407 Toronto Highway B.V. | 100,0 % | 0 | |
| 11200232 Canadá Inc. | | 4352238 Cintra Canada Inc | 100,0 % | 12 | |
| Blackbird Maintenance 407 Cintra GP Inc | | 407 Toronto Highway B.V. | 100,0 % | 0 | |
| Blackbird Infrastructure 407 Cintra GP Inc | | 407 Toronto Highway B.V. | 100,0 % | 0 | |
| **COLOMBIA (Registered Office: Bogota, Colombia)** | | | | | |
| Cintra Infraestructuras Colombia, S.A.S. | | Cintra Global SE | 100,0 % | 9 | 1 |
| **UNITED STATES (Registered Office: Austin, United States)** | | | | | |
| Cintra Holding US Corp | | Ferrovial Holding US Corp | 96,8 % | 1.027 | |
| Cintra Texas Corp | | Cintra Holding US Corp | 100,0 % | 0 | |
| Cintra US Services LLC | | Cintra Texas Corp | 100,0 % | 0 | |
| Cintra ITR LLC | | Cintra Holding US Corp | 49,0 % | 49 | |
| Cintra LBJ LLC | | Cintra Holding US Corp | 100,0 % | 384 | |
| Cintra NTE LLC | | Cintra Holding US Corp | 100,0 % | 307 | |
| Cintra NTE Mobility Partners Segments 3 LLC | | Cintra Holding US Corp | 100,0 % | 232 | |
| Cintra Toll Services LLC | | Cintra Holding US Corp | 100,0 % | 0 | |
| Cintra I-77 Mobility Partners LLC | | Cintra Holding US Corp | 100,0 % | 160 | |
| Cintra 2 I-77 Mobility Partners LLC (2) | | Cintra Holding US Corp | 100,0 % | 78 | |
| Cintra 2 I-66 Express Mobility Partners | | Cintra Holding US Corp | 100,0 % | 430 | |
| Cintra I-66 Express Corp | | Cintra I-66 Express UK Ltd | 100,0 % | 0 | |
| Cintra I-66 Express Mobility Partners LLC | | Cintra I-66 Express Corp | 100,0 % | 0 | |
| I-66 Express Mobility Partners Holdings LLC | P | Cintra 2 I-66 Express Mobility Partners | 40,0 % | 430 | |
| I-66 Express Mobility Partners Holdings LLC | P | Cintra I-66 Express Mobility Partners LLC | 10,0 % | 0 | |
| I-66 Express Mobility Partners LLC | P | I-66 Express Mobility Partners Holdings LLC | 50,0 % | 860 | 1 |
| Cintra 3I-66 Express Mobility Partners LLC | | Cintra Holding US Corp | 100,0 % | 185 | |
| **UNITED STATES (Registered Office: Charlotte, United States)** | | | | | |
| I-77 Mobility Partners Holding LLC | P | Cintra I-77 Mobility Partners LLC | 50,1 % | 108 | |
| I-77 Mobility Partners Holding LLC | P | Cintra 2-I77 Mobility Partners Holding LLC | 15,0 % | 68 | |
| 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 % | 201 | |
| NTE Mobility Partners Segments 3 LLC | P | NTE Mobility Partners Segments 3 Holding LLC | 100,0 % | 385 | 1 |
| **NETHERLANDS (Registered Office: Amsterdam, Netherlands)** | | | | | |
| Cintra Infrastructures SE | | Ferrovial International SE | 100,0 % | 2.074 | 1 |
| Cintra Global SE | | Ferrovial International SE | 100,0 % | 2.873 | |
| 407 Toronto Highway B.V. | | Cintra Global SE | 100,0 % | 2.664 | |
| Cintra INR Investments B.V. | | Cintra Global SE | 100,0 % | 0 | 5 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Cintra Latam Highways B.V. | | Cintra Infrastructures SE | 100,0 % | 0 | |
| **IRELAND (Registered Office: Dublin, Ireland)** | | | | | |
| Financinfrastructures, Ltd | | Cintra Global SE | 100,0 % | 32 | 1 |
| Cinsac, Ltd | | Cintra Infraestructuras Irlanda, S.L.U. (a) | 100,0 % | 0 | 1 |
| **POLAND (Registered Office: Warsaw, Poland)** | | | | | |
| Autostrada Poludnie, S.A. | | Cintra Infrastructures SE | 93,6 % | 13 | 2 |
| **PORTUGAL (Registered Office: Lisboa, Portugal)** | | | | | |
| Vialivre, S.A. | P | Cintra Infrastructures SE | 84,0 % | 0 | 1 |
| **PORTUGAL (Registered Office: Ribeira Grande, Portugal)** | | | | | |
| Euroscut Açores, S.A. | P | Cintra Infrastructures SE | 89,2 % | 13 | 1 |
| **UNITED KINGDOM (Registered Office: London, United Kingdom)** | | | | | |
| Cintra Silvertown Ltd | | Cintra Infrastructures UK Ltd | 100,0 % | 0 | 1 |
| **UNITED KINGDOM (Registered Office: Oxford, United Kingdom)** | | | | | |
| Cintra Infrastructures UK Ltd | | Cintra Global SE | 100,0 % | 44 | 1 |
| Cintra Toowoomba Ltd | | Cintra Infrastructures UK Ltd | 100,0 % | 7 | 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 Ltd | 100,0 % | 29 | 1 |
| **AIRPORTS** | | | | | |
| **SPAIN (Registered Office: Madrid, Spain)** | | | | | |
| Ferrovial Aeropuertos España, S.A. (a) | | Ferrovial, S.A. (a) | 100,0 % | 0 | |
| BRASIL (Registered Office: São Paulo, Brasil) | | | | | |
| Ferrovial Aeroportos Brasil Ltda. | | Ferrovial Airports International, S.E. | 100,0 % | 0 | |
| **UNITED STATES (Registered Office: Austin, United States)** | | | | | |
| Ferrovial Airports Holding US Corp | | Ferrovial Holding US Corp | 100,0 % | 0 | |
| Ferrovial Vertiports US LLC | | Ferrovial Airports Holding US Corp | 100,0 % | 0 | |
| Ferrovial Vertiports Florida LLC | P | Ferrovial Vertiports US LLC | 100,0 % | 0 | |
| **UNITED STATES (Registered Office: Denver, United States)** | | | | | |
| Ferrovial Airports Denver Corp | P | Ferrovial Airports Denver UK Ltd. | 100,0 % | 0 | |
| Ferrovial Airports Great Hall Partners LLC | P | Ferrovial Airports Denver Corp | 100,0 % | 0 | |
| **NETHERLANDS (Registered Office: Amsterdam, Netherlands)** | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Hubco Netherlands B.V. | | Ferrovial International, S.E. | 100,0 % | 734 | |
| FERROVIAL AIRPORTS FMM BV | | Ferrovial Airports International, S.E. | 100,0 % | 0 | |
| **UNITED KINGDOM (Registered Office: Oxford, United Kingdom)** | | | | | |
| Faero UK Holding Limited | | Hubco Netherlands B.V. | 100,0 % | 233 | 1 |
| Ferrovial Airports International, S.E. | | Ferrovial International, S.E. | 100,0 % | 1.219 | 1 |
| Ferrovial Airports Denver UK Ltd. | | Ferrovial Airports International, S.E. | 100,0 % | 1 | 1 |
| **OTHER ACTIVITIES** | | | | | |
| **ENERGY INFRAESTRUCTURES AND MOBILITY** | | | | | |
| **SPAIN (Registered Office: Madrid, Spain)** | | | | | |
| Ferrovial Transco España , S.A.U. (a) | P | Ferrovial Transco International B.V. | 100,0 % | 18 | |
| Ferrovial Infraestructuras Energéticas, S.A.U. (a) | | Ferrovial, S.A. (a) | 100,0 % | 11 | |
| Parque Solar Casilla, S.L.U. | P | Ferrovial Infraestructuras Energéticas, S.A.U. (a) | 100,0 % | 9 | |
| Ferrovial Mobility, S.L. (a) | | Ferrovial, S.A. (a) | 100,0 % | 15 | |
| **CHILE (Registered Office: Santiago, Chile)** | | | | | |
| Ferrovial Power Infrastructure Chile, SpA | P | Ferrovial Transco España , S.A.U. (a) | 34,1 % | 18 | 1 |
| Ferrovial Power Infrastructure Chile, SpA | P | Ferrovial Transco International B.V. | 65,9 % | 65 | 1 |
| Ferrovial Transco Chile II SpA | P | Ferrovial Power Infraestructure Chile, SpA | 100,0 % | 0 | |
| Transchile Charrúa Transmisión, S.A. | P | Ferrovial Power Infraestructure Chile, SpA | 99,9 % | 59 | 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 | |
| **NETHERLANDS (Registered Office: Amsterdam, Netherlands)** | | | | | |
| Ferrovial Transco International B.V. | | Ferrovial International, S.E. | 100,0 % | 81 | 1 |
| **WASTE TREATMENT** | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| **UNITED KINGDOM (Registered Office: London, United Kingdom)** | | | | | |
| Thalia Waste Management Limited (*) | | Amey LG Ltd / Thalia Holdco Ltd | 50% / 50% | 0 | 1 |
| Thalia MK ODC Limited (*) | | Waste Management Limited | 100,0 % | 0 | 1 |
| Thalia AWRP ODC Limited (*) | | Waste Management Limited | 100,0 % | 0 | 1 |
| Thalia WB HoldCo Limited (*) | | Waste Management Limited | 100,0 % | 21 | 1 |
| Thalia WB ODC Limited (*) | | WB HoldCo Limited | 100,0 % | | 1 |
| Thalia WB Services Limited (*) | | WB ODC Limited | 100,0 % | 84 | 1 |
| Thalia WB SPV Limited (*) | | WB Services Limited | 100,0 % | 84 | 1 |
| Thalia IOW SPV Limited (*) | | Amey Ventures Asset Holdings Ltd | 100,0 % | 8 | 1 |
| Thalia MK HoldCo Limited (*) | | Amey Ventures Asset Holdings Ltd / Thalia Ventures Ltd | 50% / 50% | 42 | 1 |
| Thalia MK SPV Limited (*) | | MK HoldCo Limited | 100,0 % | 42 | 1 |
| Thalia Ventures Limited (*) | | Holdco Ltd | 100,0 % | 24 | 1 |
| Thalia IOW ODC Ltd (*) | | Waste Management Limited | 100,0 % | 84 | 1 |
| Thalia Holdco Ltd (*) | | Waste Treatment BV | 100,0 % | 7.962 | 1 |
| **DISCONTINUED OPERATIONS** | | | | | |
| **SERVICES** | | | | | |
| **AUSTRALIA (Registered Office: Melbourne, Australia)** | | | | | |
| Amey Consulting Australia Pty Ltd | | Amey OW Ltd | 100,0 % | 0 | |
| **SPAIN (Registered Office: Madrid, Spain)** | | | | | |
| Ferrovial Servicios, S.A. (a) | | Ferrovial International, S.E. | 100,0 % | 265 | 2 |
| Ferrovial Servicios Logistica, S.A. | | Ferrovial Servicios, S.A. (a) | 99,0 % | 0 | |
| Ferrovial Servicios Participadas, S.L. (a) | | Ferrovial Servicios, S.A. (a) | 100,0 % | 2 | |
| Ferroser Servicios Auxiliares, S.A. (a) | | Ferrovial Servicios, S.A. (a) | 99,5 % | 10 | 2 |
| Ferroser Infraestructuras, S.A. (a) | | Ferrovial Servicios, S.A. (a) | 100,0 % | 10 | 2 |
| Ferrovial Servicios Transporte Asistencial, S.A. (a) | | Ferrovial Servicios, S.A. (a) | 99,0 % | 1 | |
| **SPAIN (Registered Office: Málaga, Spain)** | | | | | |
| Andaluza de Señalizaciones, S.A. | | Ferroser Infraestructuras, S.A.U. | 99,0 % | 0 | |
| **SPAIN (Registered Office: Santander, Spain)** | | | | | |
| Smart Hospital Cantabria, S.A. (a) | P | Ferrovial Servicios, S.A. (a) | 85,0 % | 8 | 2 |
| **SPAIN (Registered Office: Valladolid, Spain)** | | | | | |
| Maviva Valladolid, S.L. (a) | | Ferrovial Servicios Logistica, S.A. | 99,7 % | 0 | |
| **SPAIN (Registered Office: Vigo, Spain)** | | | | | |
| Maviva, S.A. (a) | | Ferrovial Servicios Logistica, S.A. | 100,0 % | 9 | 2 |
| Maviva Servicios Globales, S.L. (a) | | Ferrovial Servicios Logistica, S.A. | 99,4 % | 0 | |
| Almacenes Servicios y Recuperaciones, S.L. | | Ferrovial Servicios Logistica, S.A. | 99,7 % | 1 | 2 |
| **NETHERLANDS (Registered Office: Amsterdam, Netherlands)** | | | | | |
| Ferrovial Services Netherlands B.V. | | Ferrovial, S.A. (a) | 100,0 % | 1 | 2 |
| Ferrovial Services International, S.E. | | Ferrovial International, S.E. | 100,0 % | 59 | 2 |
| **AUSTRALIA (Registered Office: Melbourne, Australia)** | | | | | |
| Amey Consulting Australia Pty Ltd | | Amey OW Ltd | 100,0 % | 0 | |
| **CHILE (Registered Office: Antofagasta, Chile)** | | | | | |
| Berliam S.p.A. | | Ferrovial Servicios Chile, SpA | 65,1 % | 21 | 2 |
| Berliam S.p.A. | | Inversiones Chile Ltda | 34,9 % | 11 | 2 |
| **CHILE (Registered Office: Los Andes, Chile)** | | | | | |
| Steel Ingenieria, S.A. | | Ferrovial Servicios Chile SPA | 99,9 % | 25 | 2 |
| Ferrovial Servicios Chile SPA | | Ferrovial Services International S.E | 100,0 % | 12 | |
| **CHILE (Registered Office: Santiago, Chile)** | | | | | |
| Ferrovial Servicios Ambientales | | Berliam S.p.A. | 99,7 % | 3 | 2 |
| Inversiones (Chile) Holdings Limitada | | Ferrovial Servicios Chile SpA | 100,0 % | 3 | 2 |
| Inversiones (Chile) Limitada | | Inversiones (Chile) Holding Limitada | 100,0 % | 1 | |
| Ferrovial Servicios Salud, SpA | | Ferrovial Servicios Chile SPA | 100,0 % | 0 | |
| **UNITED STATES (Registered Office: Houston, United States)** | | | | | |
| Amey Consulting USA, Inc. | | Amey OW Ltd | 100,0 % | 0 | |
| **PORTUGAL (Registered Office: Porto, Portugal)** | | | | | |
| Maviva Portugalia S.R.L. | | Ferrovial Servicios Logistica, S.A. | 100,0 % | 1 | |
| **QATAR (Registered Office: Doha, Qatar)** | | | | | |
| Amey Consulting LLC | | Amey OW Ltd | 49,0 % | 0 | |
| **UNITED KINGDOM (Registered Office: Glasgow, United Kingdom)** | | | | | |
| Byzak Contractors (Scotland) Ltd | | Byzak Ltd | 100,0 % | 0 | |
| C.F.M Building Services Ltd | | Enterprise Managed Services Ltd | 100,0 % | 4 | 2 |
| **UNITED KINGDOM (Registered Office: London, United Kingdom)** | | | | | |
| Amey UK plc (a) | | Ferrovial Services Netherlands B.V.i.o | 100,0 % | 76 | 2 |
| Amey Holdings Ltd | | Amey UK plc | 100,0 % | 426 | 2 |
| Amey plc | | Amey Holdings Ltd | 100,0 % | 426 | 2 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Amey Environmental Services Ltd | | Amey plc | 100,0 % | 0 | 2 |
| Amey Building Ltd | | Amey plc | 100,0 % | 1 | |
| Amey Community Ltd | | Amey plc | 100,0 % | 46 | 2 |
| Amey Construction Ltd | | Amey plc | 100,0 % | 5 | 2 |
| Amey Datel Ltd | | Amey OW Ltd | 100,0 % | 0 | |
| Amey Facilities Partners Ltd | | Comax Holdings Ltd | 100,0 % | 2 | |
| Amey Fleet Services Ltd | | Amey plc | 100,0 % | 37 | 2 |
| Amey Group Information Services Ltd | | Amey plc | 100,0 % | 11 | 2 |
| Amey Group Services Ltd | | Amey plc | 100,0 % | 34 | 2 |
| Amey Highways Ltd | | Amey plc | 100,0 % | 0 | 2 |
| Amey Investments Ltd | | Amey plc | 100,0 % | 0 | 2 |
| Amey IT Services Ltd | | Amey plc | 100,0 % | 0 | |
| Amey LG Ltd | | Amey plc | 100,0 % | 189 | 2 |
| Amey LUL 2 Ltd | | Amey Tube Ltd | 100,0 % | 5 | 2 |
| Amey Mechanical & Electrical Services Ltd | | Amey Community Ltd | 100,0 % | 1 | 2 |
| Amey OW Group Ltd | | Amey plc | 100,0 % | 25 | |
| Amey OW Ltd | | Amey OW Group Ltd | 100,0 % | 1 | 2 |
| Amey OWR Ltd | | Amey OW Group Ltd | 100,0 % | 53 | 2 |
| Amey Programme Management Ltd | | Amey plc | 100,0 % | 0 | 2 |
| Amey Rail Ltd | | Amey plc | 100,0 % | 21 | 2 |
| Amey Railways Holding Ltd | | Amey plc | 100,0 % | 0 | |
| Amey Roads (North Lanarkshire) Ltd | | Amey LG Ltd | 66,7 % | 0 | 2 |
| Amey Services Ltd | | Amey plc | 100,0 % | 132 | 2 |
| Amey Technology Services Ltd | | Amey plc | 100,0 % | 0 | |
| Amey Tramlink Ltd | | Amey Technology Services Ltd | 100,0 % | 0 | |
| Amey Tube Ltd | | JNP Ventures Ltd | 100,0 % | 6 | |
| Amey Ventures Asset Holdings Ltd | | Amey Investments Ltd | 100,0 % | 0 | 2 |
| Amey Ventures Ltd | | Amey plc | 100,0 % | 4 | 2 |
| Amey Ventures Management Services Ltd | | Amey Investments Ltd | 100,0 % | 0 | 2 |
| Amey Wye Valley Ltd | | Amey LG Ltd | 80,0 % | 0 | 2 |
| Comax Holdings Ltd | | Amey plc | 100,0 % | 0 | |
| JNP Ventures 2 Ltd | | Amey Tube Ltd | 100,0 % | 6 | |
| JNP Ventures Ltd | | Amey Ventures Ltd | 100,0 % | 0 | |
| Sherard Secretariat Services Ltd | | Amey plc | 100,0 % | 0 | 2 |
| TPI Holdings Ltd | | Amey OW Ltd | 100,0 % | 0 | |
| Transportation Planning International Ltd | | TPI Holdings Ltd | 100,0 % | 0 | |
| Wimco Ltd | | Amey Railways Holding Ltd | 100,0 % | 0 | |
| Amey Public Services LLP | | Amey LG Ltd | 66,7 % | 0 | 2 |
| Nationwide Distribution Services Ltd | | Amey LG Ltd | 100,0 % | 4 | 2 |
| A.R.M. Services Group Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 71 | 2 |
| Access Hire Services Ltd | | Enterprise Managed Services Ltd | 100,0 % | 3 | |
| Accord Asset Management Ltd | | Accord Ltd | 100,0 % | 8 | |
| Accord Consulting Services Ltd | | Accord Ltd | 100,0 % | 0 | |
| Accord Environmental Services Ltd | | Accord Ltd | 100,0 % | 0 | |
| Accord Ltd | | Enterprise plc | 100,0 % | 129 | 2 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Accord Network Management Ltd | | Accord Asset Management Ltd | 100,0 % | 1 | |
| Brophy Grounds Maintenance Ltd | | Enterprise Public Services Ltd | 100,0 % | 4 | 2 |
| Byzak Ltd | | Globemile Ltd | 100,0 % | 7 | 2 |
| Countrywide Property Inspections Ltd | | Durley Group Holdings Ltd | 100,0 % | 0 | |
| CRW Maintenance Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| Durley Group Holdings Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| Enterprise (AOL) Ltd | | Accord Ltd | 100,0 % | 68 | 2 |
| Enterprise (ERS) Ltd | | Trinity Group Holdings Ltd | 100,0 % | 0 | |
| Enterprise (Venture Partner) Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | 2 |
| Enterprise Building Services Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| Enterprise Foundation (ETR) Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| Enterprise Holding Company No.1 Ltd | | Enterprise plc | 100,0 % | 436 | 2 |
| Enterprise Lighting Services Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| Enterprise Managed Services (BPS) Ltd | | Enterprise Managed Services Ltd | 100,0 % | 16 | |
| Amey Metering Ltd | | Enterprise Managed Services Ltd | 100,0 % | 8 | 2 |
| Enterprise Managed Services Ltd | | Amey Utility Services Ltd | 100,0 % | 4 | 2 |
| Enterprise plc | | Amey plc | 100,0 % | 120 | 2 |
| Amey Power Services Ltd | | Enterprise Managed Services Ltd | 100,0 % | 9 | 2 |
| Enterprise Public Services Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 3 | 2 |
| Amey Utility Services Ltd | | ARM Services Group Ltd | 100,0 % | 36 | 2 |
| Globemile Ltd | | Enterprise Managed Services Ltd | 100,0 % | 15 | 2 |
| Haringey Enterprise Ltd | | Accord Ltd | 100,0 % | 0 | |
| Heating and Building Maintenance Company Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 1 | 2 |
| Hillcrest Developments (Yorkshire) Ltd | | Durley Group Holdings Ltd | 100,0 % | 0 | |
| ICE Developments Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Amey (JJMG) Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 3 | |
| JDM Accord Ltd | | Accord Ltd | 100,0 % | 1 | |
| MRS Environmental Services Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 12 | 2 |
| MRS St Albans Ltd | | MRS Environmental Services Ltd | 100,0 % | 0 | |
| Trinity Group Holdings Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| Enterprise Business Solutions 2000 Ltd | | Enterprise Holding Company No 1 Ltd | 90,0 % | 0 | |
| Enterprise Islington Ltd | | Accord Ltd | 99,0 % | 0 | |
| Enterprise Manchester Partnership Ltd | | Enterprise Managed Services Ltd | 80,0 % | 0 | 2 |
| Slough Enterprise Ltd | | Accord Environmental Services Ltd | 100,0 % | 0 | 2 |
| Enterprise Fleet Ltd | | Enterprise Managed Services Ltd | 54,5 % | 0 | |
| Novo Community Ltd | | Amey Community Ltd | 100,0 % | 0 | 2 |
| Amey TPT Limited | | Amey OWR Ltd | 100,0 % | 5 | 2 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | NET COST OWNERSHIP | AUDIT. |
|---|---|---|---|---|---|
| Amey Finance Services Ltd | | Amey plc | 100,0 % | 0 | 2 |
| Amey Defence Services Limited | | Enterprise Managed Services Limited | 100,0 % | 8 | 2 |
| Amey Defence Services (Housing) Limited | | Enterprise Managed Services Limited | 100,0 % | 9 | 2 |
| Amey 1321 Limited | | Amey plc | 100,0 % | 0 | |
| Amey (ABD) Limited | | Amey Community Ltd | 100,0 % | 0 | |
| **UNITED KINGDOM (Registered Office: Liverpool, United Kingdom)** | | | | | |
| Fleet and Plant Hire Ltd | | Enterprise Managed Services Ltd | 100,0 % | 0 | 2 |
| **UNITED KINGDOM (Registered Office: Manchester, United Kingdom)** | | | | | |
| Enterprise Utility Services (TBC) Ltd | | Enterprise Holding Company No 1 Ltd | 100,0 % | 0 | |
| **UNITED KINGDOM (Registered Office: Pontypridd, United Kingdom)** | | | | | |
| Seilwaith Amey Cymru / Amey Infrastructure Wales Limited | | Amey Rail Limited | 90,0 % | 0 | 2 |
| **UNITED KINGDOM (Registered Office: Motherwell, United Kingdom)** | | | | | |
| C.F.M Building Services Ltd | | Enterprise Managed Services Ltd | 100,0 % | 3 | 2 |

Legend:

Auditors: (1) EY; (2) Deloitte; (3) BDO; (4) PWC; (5) KPMG; (6) Vir Audit; (7) Elayouty

(a) The companies that are part of the Tax Perimeter of Ferrovial, S.A. and subsidiaries.

(*) New legal entity name (effective 1st week Jan 22)

# Appendix II. Associates (companies accounted for using the equity method) (millions of euros)

| ENTITY | TYPE | PARENT | % OWNERSHIP | VALUE EQUITY METHOD | ASSETS | LIABILITIES | REVENUES | RESULTS | AUDIT. |
|---|---|---|---|---|---|---|---|---|---|
| **MOBILITY** | | | | | | | | | |
| **SPAIN** | | | | | | | | | |
| Car Sharing Mobility Services, S.L. | P | Ferrovial Mobility, S.L.U. | 50,0 % | 5 | 17 | 5 | 6 | -6 | |
| **FRANCE** | | | | | | | | | |
| Car Sharing & Mobility Services France, S.A.S | P | Car Sharing Mobility Services, S.L. | 50,0 % | 1 | 4 | 3 | 2 | -4 | |
| **CONSTRUCTION** | | | | | | | | | |
| **SPAIN** | | | | | | | | | |
| Via Olmedo Pedralba, S.A. | P | Ferrovial Construccion, S.A. | 25,2 % | 1 | 6 | 3 | 4 | 0 | 3 |
| Boremer, S.A. | | Cadagua, S.A. | 50,0 % | 1 | 2 | 1 | 0 | 1 | 2 |
| **UNITED STATES** | | | | | | | | | |
| Pepper Lawson Horizon Intl. Group | | Webber Commercial Construction LLC | 70,0 % | 0 | 2 | 2 | 0 | 0 | |
| **OMAN** | | | | | | | | | |
| International Water Treatment LLC | | Cadagua, S.A. | 37,5 % | 0 | 0 | 5 | 0 | 0 | 4 |
| **POLAND** | | | | | | | | | |
| PPHU Promos Sp. z o.o. | | Budimex SA | 26,3 % | 0 | 3 | 2 | 3 | 0 | |
| **AIRPORTS** | | | | | | | | | |
| **UNITED KINGDOM** | | | | | | | | | |
| FGP Topco Limited | P | Hubco Netherlands B.V. | 25,0 % | 0 | 23.216 | 26.934 | 1.414 | 1.651 | 4 |
| AGS Airports Holdings Limited | P | Faero UK Holding Limited | 50,0 % | 0 | 1.512 | 1.484 | 101 | -141 | 2 |
| **QATAR** | | | | | | | | | |
| FMM Company LLC | P | Ferrovial Servicios S.A.U. | 49,0 % | 17 | 62 | 21 | 64 | 9 | |
| **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 % | 10 | 42 | 17 | 33 | 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 % | 36 | 139 | 72 | 66 | 5 | |
| **SPAIN** | | | | | | | | | |
| Serranopark, S.A. | P | Cintra Infraestructuras España, S.L. | 50,0 % | 0 | 76 | 59 | 6 | 5 | 2 |
| Sociedad Concesionaria Autovía de la Plata, S.A. | P | Cintra Infrastructures SE | 25,0 % | 16 | 231 | 168 | 25 | 12 | 2 |
| Bip & Drive, S.A. | P | Cintra Infraestructuras España, S.L. | 20,0 % | 3 | 25 | 11 | 223 | 2 | |
| Autopista del Sol, C.E.S.A. | P | Cintra Infraestructuras España, S.L. | 15,0 % | 0 | 0 | 0 | 0 | 0 | |
| Empresa Mant. y Explotación M30, S.A. | | Ferrovial Servicios, S.A. | 50,0 % | -34 | 222 | 222 | 30 | 12 | 5 |
| Madrid Calle 30, S.A. | P | Empresa Mant. y Explotación M30, S.A. | 20,0 % | 51 | 627 | 126 | 123 | 54 | 8 |
| **CANADÁ** | | | | | | | | | |
| 407 International Inc | P | 4352238 Cintra Canada Inc | 43,2 % | 1.205 | 3.716 | 7.258 | 692 | 144 | |
| 407 East Development Group General Partnership | P | Cintra 407 East Development Group Inc | 50,0 % | 14 | 159 | 102 | 10 | 3 | |
| OM&R 407 East Development Group General Partnership | P | Cintra OM&R 407 East Development Group Inc | 50,0 % | 1 | 6 | 4 | 5 | 1 | |
| Blackbird Maintenance 407 GP | P | Blackbird Maintenance 407 Cintra GP Inc | 50,0 % | 0 | 5 | 4 | 4 | 0 | 3 |
| Blackbird Infrastructures 407 GP | P | Blackbird Infrastructures 407 Cintra GP Inc | 50,0 % | 14 | 100 | 73 | 7 | 1 | 3 |
| **COLOMBIA** | | | | | | | | | |
| Concesionaria Ruta del Cacao S.A.S. | P | Cintra Infraestructuras Colombia S.A.S. | 30,0 % | 11 | 625 | 587 | 143 | 4 | 2 |
| **SLOVAKIA** | | | | | | | | | |
| Zero Bypass Limited, Organizacna Zloska | P | Zero Bypass Ltd | 35,0 % | 0 | 0 | 0 | 0 | 0 | |
| **NETHERLANDS** | | | | | | | | | |
| Algarve International B.V. (1) | P | Cintra Infrastructures SE | 20,0 % | 0 | 105 | 104 | 0 | 0 | |
| **INDIA** | | | | | | | | | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | VALUE EQUITY METHOD | ASSETS | LIABILITIES | REVENUES | RESULTS | AUDIT. |
|---|---|---|---|---|---|---|---|---|---|
| IRB Infrastructure Developers Limited | | Cintra INR Investments B.V. | 100,0 % | 378 | 1.519 | 0 | 0 | 0 | 5 |
| **IRELAND** | | | | | | | | | |
| Eurolink Motorway Operation (M4-M6) Ltd | P | Cintra Infraestructuras Irlanda, S.L.U. | 20,0 % | 8 | 238 | 128 | 27 | 5 | 2 |
| Eurolink Motorway Operations (M3) Ltd | P | Cinsac Ltd | 20,0 % | 7 | 146 | 110 | 18 | 5 | 2 |
| **PORTUGAL** | | | | | | | | | |
| Autoestrada do Algarve, S.A. (1) | P | Cintra Infrastructures SE | 20,0 % | 0 | 0 | 0 | 0 | 0 | 2 |
| **UNITED KINGDOM** | | | | | | | | | |
| Scot Roads Partnership Holdings Ltd | P | Cintra Infrastructures UK Ltd | 20,0 % | 0 | 0 | 0 | 0 | 0 | |
| Scot Roads Partnership Finance Ltd | P | Scot Roads Partnership Holdings Ltd | 20,0 % | 0 | 440 | 440 | 0 | 0 | |
| Scot Roads Partnership Project Ltd | P | Scot Roads Partnership Holdings Ltd | 20,0 % | 0 | 459 | 459 | 38 | 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 % | 0 | 1.063 | 1.083 | 129 | 21 | |
| RiverLinx Holdings Ltd | P | Cintra Silvertown Ltd | 22,5 % | 0 | 0 | 0 | 0 | 0 | |
| RiverLinx Ltd | P | RiverLinx Holdings Ltd | 22,5 % | 0 | 654 | 671 | 244 | -2 | |
| **TOTAL VALUE BY EQUITY METHOD CONTINUED OPERATIONS** | | | | **1.747** | | | | | |
| SERVICES | | | | | | | | | |
| **SPAIN** | | | | | | | | | |
| Aetec, S.A. | | Ferroser Infraestructuras S.A. | 9,2 % | 0 | 1 | 0 | 1 | 0 | |
| FerroNats Air Traffic Services, S.A. | | Ferrovial Servicios, S.A. | 50,0 % | 0 | 11 | 4 | 14 | 1 | 2 |
| **UNITED STATES** | | | | | | | | | |
| AmeyWebber LLC | | Amey Consulting USA, Inc | 50,0 % | 0 | 0 | 0 | 0 | 0 | |
| **UNITED KINGDOM** | | | | | | | | | |
| Scot Roads Partnership Holdings Ltd | | Amey Ventures Asset Holdings Ltd | 20,0 % | 0 | 77 | 77 | 4 | 0 | 4 |
| Scot Roads Partnership Project Ltd | P | Scot Roads Partnership Holdings Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 4 |
| Scot Roads Partnership Finance Ltd | | Scot Roads Partnership Holdings Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 4 |
| TfW Innovations Services Limited | | Amey Rail Ltd | 49,0 % | 0 | 0 | 0 | 0 | 0 | |

| ENTITY | TYPE | PARENT | % OWNERSHIP | VALUE EQUITY METHOD | ASSETS | LIABILITIES | REVENUES | RESULTS | AUDIT. |
|---|---|---|---|---|---|---|---|---|---|
| AHL Holdings (Manchester) Ltd | | Amey Ventures Investments Ltd | 50,0 % | 0 | 1 | 0 | 0 | 0 | 2 |
| Amey Highways Lighting (Manchester) Ltd | P | AHL Holdings (Manchester) Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 2 |
| AHL Holdings (Wakefield) Ltd | | Amey Ventures Investments Ltd | 50,0 % | 0 | 0 | 0 | 0 | 0 | 2 |
| Amey Highways Lighting (Wakefield) Ltd | P | AHL Holdings (Wakefield) Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 2 |
| GEO Amey PECS Ltd | | Amey Community Ltd | 50,0 % | 7 | 30 | -22 | 46 | 3 | 10 |
| Amey Infrastructure Management (1) Ltd | | Amey Ventures Asset Holdings Ltd | 50,0 % | 0 | 0 | 0 | 0 | 0 | |
| Amey Ventures Investments Ltd | | Amey Investments Ltd | 5,0 % | 0 | 1 | -1 | 0 | 0 | 3 |
| ALC (Superholdco) Ltd | | Amey Ventures Investments Ltd | 50,0 % | 0 | 0 | 0 | 7 | 3 | 5 |
| ALC (FMC) Ltd | | ALC (Superholdco) Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| ALC (Holdco) Ltd | | ALC (Superholdco) Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| ALC (SPC) Ltd | | ALC (Holdco) Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| Amey Belfast Schools Partnership Hold Co Ltd | | Amey Ventures Investments Ltd | 100,0 % | 0 | 5 | -5 | 0 | 0 | 3 |
| Amey Belfast Schools Partnership PFI Co Ltd | P | Amey Belfast Schools Partnership Hold Co Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| Amey FMP Belfast Strategic Partnership Hold Co Ltd | | Amey Ventures Management Services Ltd | 70,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| Amey FMP Belfast Strategic Partnership SP Co Ltd | | Amey FMP Belfast Schools Partnership Hold Co Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| Amey Lighting (Norfolk) Holdings Ltd | | Amey Ventures Investments Ltd | 100,0 % | 0 | 2 | -2 | 0 | 0 | 3 |
| Amey Lighting (Norfolk) Ltd | P | Amey Lighting (Norfolk) Holdings Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| E4D&G Holdco Ltd | | Amey Ventures Investments Ltd | 85,0 % | 0 | 4 | -5 | 0 | 0 | 3 |
| E4D&G Project Co Ltd | P | E4D&G Holdco Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| Education (Waltham Forest) Ltd (IP) | | Amey plc | 50,0 % | 0 | 0 | 0 | 0 | 0 | |
| Integrated Bradford Hold Co One Ltd | | Amey Ventures Investments Ltd | 25,0 % | 0 | 2 | -2 | 0 | 0 | 5 |
| Integrated Bradford Hold Co One Ltd | | Integrated Bradford LEP Ltd | 10,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| Integrated Bradford PSP Ltd (IP) | | Amey Infrastructure Management (1) Ltd | 50,0 % | 0 | 0 | 0 | 0 | 0 | 5 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | VALUE EQUITY METHOD | ASSETS | LIABILITIES | REVENUES | RESULTS | AUDIT. |
|---|---|---|---|---|---|---|---|---|---|
| Integrated Bradford Hold Co Two Ltd | | Amey Infrastructure Management (1) Ltd | 2,0 % | 0 | 4 | -4 | 0 | 0 | 5 |
| Integrated Bradford Hold Co Two Ltd | | Integrated Bradford LEP Ltd | 10,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| Integrated Bradford LEP Ltd | | Integrated Bradford PSP Ltd | 80,0 % | 0 | 1 | 0 | 0 | 0 | 5 |
| Integrated Bradford LEP Fin Co One Ltd | | Integrated Bradford LEP Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| Integrated Bradford SPV One Ltd | P | Integrated Bradford Hold Co One Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| Integrated Bradford SPV Two Ltd | P | Integrated Bradford Hold Co Two Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 5 |
| AmeyVTOL Ltd | | Amey OWR Ltd | 60,0 % | 0 | 0 | 0 | 0 | 0 | |
| Amey Infrastructure Management (3) Ltd | | Amey Ventures Asset Holdings Ltd | 10% economic | 0 | 3 | -3 | 0 | 0 | |
| Amey Hallam Highways Holdings Ltd | P | Amey Infrastructure Management (3) Ltd | 33,0 % | 0 | 8 | -9 | 1 | 0 | 3 |
| Amey Hallam Highways Ltd | P | Amey Hallam Highways Holdings Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| AmeyBreathe Limited | | Amey Community Limited | 50,0 % | 0 | 0 | 0 | 0 | 0 | |
| Amey Briggs Asset Holdings Limited | | Amey Ventures Asset Holdings Ltd | 50,0 % | 0 | 0 | 0 | 0 | 0 | |
| Amey Briggs Assets Limited | | Amey Ventures Asset Holdings Ltd | 100,0 % | 0 | 30 | -30 | 3 | 0 | |
| Amey Briggs Services Holdings Limited | | Amey Community Limited | 50,0 % | 0 | 2 | -2 | 0 | 0 | |
| Amey Briggs Services Limited | | Amey Briggs Services Holdings Limited | 100,0 % | 0 | 3 | -3 | 14 | 0 | |
| Keolis Amey Docklands Ltd | | Amey Rail Ltd | 30,0 % | 0 | 23 | -19 | 26 | 1 | 2 |

| ENTITY | TYPE | PARENT | % OWNERSHIP | VALUE EQUITY METHOD | ASSETS | LIABILITIES | REVENUES | RESULTS | AUDIT. |
|---|---|---|---|---|---|---|---|---|---|
| Keolis Amey Metrolink Ltd | | Amey Rail Ltd | 40,0 % | 0 | 5 | -2 | 27 | 0 | |
| Keolis Amey Rail Ltd | | Amey Rail Ltd | 40,0 % | 0 | 0 | 0 | 0 | 0 | |
| Keolis Amey Operations/Gweithrediadau Keolis Amey Ltd | | Amey Rail Ltd | 36,0 % | 0 | 2 | -3 | 15 | 0 | |
| Keolis Amey Consulting Ltd | | Amey Rail Ltd | 38,0 % | 0 | 0 | 0 | 0 | 0 | |
| Amey Roads NI Holdings Ltd | | Amey Ventures Investments Ltd | 50,0 % | 0 | 6 | -6 | 0 | 0 | 3 |
| Amey Roads NI Financial plc | | Amey Roads NI Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| Amey Roads NI Ltd | P | Amey Roads NI Holdings Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| RSP (Holdings) Ltd | | Amey Ventures Investments Ltd | 35,0 % | 0 | 2 | -2 | 0 | 0 | 3 |
| The Renfrewshire Schools Partnership Ltd | P | RSP (Holdings) Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| Services Support (Avon & Somerset) Holdings Ltd | | Amey Ventures Investments Ltd | 20,0 % | 0 | 1 | -1 | 0 | 0 | 3 |
| Services Support (Avon & Somerset) Ltd | P | Services Support (Avon & Somerset) Holdings Ltd | 100,0 % | 0 | 0 | 0 | 0 | 0 | 3 |
| WASTE TREATMENT | | | | | | | | | |
| Amey Infrastructure Management (2) Ltd | N | Amey Ventures Asset Holdings Ltd | 50,0 % | 0 | 28 | 28 | 0 | -2 | 1 |
| AWRP Holding Co Limited | N | Amey Infrastructure Management (2) Ltd | 33,3 % | 0 | 0 | 0 | 0 | 0 | 1 |
| AWRP SPV Limited | N | AWRP Holding Co Limited | 100,0 % | 0 | 228 | -223 | 26 | 5 | 1 |
| **TOTAL VALUE BY EQUITY METHOD DISCONTINUED OPERATIONS** | | | | **8** | | | | | |

Auditors 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

# Appendix III. Information by segment

The Board of Directors analyses the performance of the Group mainly from a business perspective. From this perspective, the Board assesses the performance of the Construction, Toll roads, Airports and Services segments. Set forth below are the consolidated balance sheet and consolidated income statement for 2021 and 2020, broken down by business segment. The “Other” column includes the assets and/or liabilities and income and/or expenses of the companies not assigned to any of the business segments, including most notably the parent company, Ferrovial, S.A., and its other smaller subsidiaries. The "Adjustments" column reflects inter-segment consolidation eliminations.

**Balance sheet by business segment: 2021 (millions of euros).**

| Assets (Millions of euros) | Note | Construction | Toll roads | Airports | Services | Other areas | Adjustments | 2021 |
|---|---|---|---|---|---|---|---|---|
| **Non-current assets** | | **943** | **14,363** | **146** | **0** | **799** | **-457** | **15,794** |
| Goodwill on consolidation | 3.1 | 127 | 251 | 0 | 0 | 42 | 0 | 420 |
| Intangible assets | 3.2 | 39 | 0 | 0 | 0 | 86 | 0 | 125 |
| Fixed assets in infrastructure projects | 3.3 | 91 | 11,205 | 0 | 0 | 80 | -191 | 11,185 |
| Investment property | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property, plant and equipment | 3.4 | 201 | 21 | 0 | 0 | 135 | -9 | 348 |
| Right of use | 3.7 | 126 | 3 | 2 | 0 | 25 | 0 | 156 |
| Investments in associates | 3.5 | 2 | 1,809 | 20 | 0 | 7 | 0 | 1,838 |
| Non-current financial assets | 3.6 | 23 | 676 | 123 | 0 | 315 | -258 | 879 |
| Loans granted to associates | | 0 | 93 | 113 | 0 | 21 | 0 | 227 |
| Restricted cash in infrastructure projects and other financial assets | 5.2 | 0 | 579 | 0 | 0 | 0 | 0 | 579 |
| Other receivables | | 23 | 4 | 9 | 0 | 294 | -258 | 72 |
| Deferred taxes | 2.8 | 334 | 111 | 1 | 0 | 103 | 1 | 549 |
| Long-term financial derivatives at fair value | 5.5 | 0 | 287 | 0 | 0 | 6 | 0 | 293 |
| **Current assets** | | **4,950** | **3,280** | **52** | **1,734** | **1,672** | **-2,586** | **9,102** |
| Assets classified as held for sale | 1.1.3 | 2 | 26 | 0 | 1,734 | 0 | -1 | 1,761 |
| Inventories | 4.1 | 374 | 14 | 0 | 0 | 9 | 7 | 404 |
| Current income tax assets | | 100 | 37 | 10 | 0 | 97 | -166 | 78 |
| Short-term trade and other receivables | 4.2 | 1,181 | 155 | 5 | 0 | 148 | -172 | 1,317 |
| Trade receivables for sales and services | | 1,017 | 121 | 1 | 0 | 56 | -150 | 1,045 |
| Other short-term receivables | | 165 | 35 | 4 | 0 | 92 | -24 | 272 |
| Other short-term financial assets | | 0 | 0 | 0 | 0 | 11 | 0 | 11 |
| Cash and cash equivalents | 5.2 | 3,293 | 3,033 | 37 | 0 | 1,407 | -2,255 | 5,515 |
| Loans with Group companies | | 1,009 | 467 | 26 | 0 | 759 | -2,261 | 0 |
| Other | | 2,284 | 2,566 | 11 | 0 | 648 | 6 | 5,515 |
| Short term financial derivatives at fair value | 5.5 | 0 | 15 | 0 | 0 | 0 | 0 | 15 |
| **TOTAL ASSETS** | | **5,893** | **17,643** | **198** | **1,734** | **2,471** | **-3,043** | **24,896** |

| Liabilities and equity (millions of euros) | Note | Construction | Toll roads | Airports | Services | Other areas | Adjustments | 2021 |
|---|---|---|---|---|---|---|---|---|
| **Equity** | **5.1** | **1,439** | **6,982** | **143** | **256** | **-3,132** | **171** | **5,839** |
| Equity attributable to shareholders | | 1,284 | 5,322 | 143 | 255 | -3,132 | 176 | 4,048 |
| Equity attributable to non-controlling interests | | 155 | 1,640 | 0 | 1 | 0 | -5 | 1,791 |
| **Deferred income** | 6.1 | **0** | **1,379** | **0** | **0** | **23** | **0** | **1,402** |
| **Non-current liabilities** | | **435** | **8,231** | **22** | **0** | **2,703** | **-313** | **11,078** |
| Pension plan deficit | 6.2 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Long-term provisions | 6.3 | 108 | 110 | 0 | 0 | 203 | 0 | 421 |
| Long-term lease liabilities | 3.7 | 82 | 1 | 1 | 0 | 37 | 0 | 108 |
| Borrowings | 5.2 | 164 | 7,252 | 21 | 0 | 2,387 | -312 | 9,512 |
| Payables to group companies | | 50 | 169 | 21 | 0 | 72 | -312 | 0 |
| Other | | 114 | 7,083 | 0 | 0 | 2,315 | 0 | 9,512 |
| Debentures and debts of infrastructure project companies | | 93 | 7,082 | 0 | 0 | 187 | 0 | 7,362 |
| Debt securities and payables of ex-infrastructure project | | 21 | 0 | 0 | 0 | 2,129 | 0 | 2,150 |
| Other payables | 6.4 | 0 | 71 | 0 | 0 | -1 | -1 | 69 |
| Deferred taxes | 2.8 | 76 | 551 | 0 | 0 | 43 | 0 | 670 |
| Financial derivatives at fair value | 5.5 | 2 | 246 | 0 | 0 | 47 | 0 | 295 |
| **Current liabilities** | | **4,019** | **1,071** | **33** | **1,478** | **2,877** | **-2,901** | **6,577** |
| Liabilities classified as held for sale | 1.1.3 | 0 | 0 | 0 | 1,478 | 0 | 0 | 1,478 |
| Short-term lease liabilities | 3.7 | 46 | 2 | 0 | 0 | 3 | 0 | 51 |
| Borrowings | 5.2 | 142 | 875 | 36 | 0 | 2,487 | -2,466 | 1,074 |
| Payables to group companies | | 120 | 833 | 36 | 0 | 1,477 | -2,466 | 0 |
| Other | | 22 | 42 | 0 | 0 | 1,010 | 0 | 1,074 |
| Financial derivatives at fair value | 5.5 | 6 | 92 | 3 | 0 | 9 | 0 | 110 |
| Current income tax liabilities | | 121 | -107 | -10 | 0 | 215 | -150 | 69 |
| Short-term trade and other payables | 4.3 | 2,844 | 173 | 4 | 0 | 66 | -294 | 2,793 |
| Trade provisions | 6.3 | 860 | 36 | 0 | 0 | 97 | 9 | 1,002 |
| **TOTAL LIABILITIES AND EQUITY** | | **5,893** | **17,643** | **198** | **1,734** | **2,471** | **-3,043** | **24,896** |

## Balance sheet by business segment: 2020 (millions of euros).

| Assets (Millions of euros) | Note | Construction | Toll roads | Airports | Services | Other areas | Adjustments | 2020 (*) |
|---|---|---|---|---|---|---|---|---|
| **Non-current assets** | | **1,030** | **9,268** | **324** | **0** | **617** | **-425** | **10,814** |
| Goodwill on consolidation | 3.1 | 180 | 0 | 0 | 0 | 40 | 0 | 220 |
| Intangible assets | 3.2 | 43 | 1 | 0 | 0 | 52 | 0 | 96 |
| Fixed assets in infrastructure projects | 3.3 | 93 | 6,224 | 0 | 0 | 100 | -61 | 6,356 |
| Investment property | | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Property, plant and equipment | 3.4 | 222 | 21 | 0 | 0 | 94 | 4 | 341 |
| Right of use | 3.7 | 120 | 3 | 0 | 0 | 14 | 0 | 137 |
| Investments in associates | 3.5 | 2 | 1,492 | 222 | 0 | 11 | 0 | 1,727 |
| Non-current financial assets | 3.6 | 22 | 912 | 100 | 0 | 190 | -368 | 856 |
| Loans granted to associates | | 3 | 61 | 100 | 0 | -1 | 0 | 163 |
| Restricted cash in infrastructure projects and other financial assets | 5.2 | 3 | 650 | 0 | 0 | 1 | 0 | 654 |
| Other receivables | | 16 | 201 | 0 | 0 | 191 | -368 | 40 |
| Deferred taxes | 2.8 | 346 | 140 | 2 | 0 | 116 | 0 | 604 |
| Long-term financial derivatives at fair value | 5.5 | 0 | 475 | 0 | 0 | 0 | 0 | 475 |
| **Current assets** | | **4,994** | **2,917** | **73** | **3,316** | **3,010** | **-2,033** | **12,277** |
| Assets classified as held for sale | 1.1.3 | 117 | 69 | 0 | 3,316 | 0 | 0 | 3,502 |
| Inventories | 4.1 | 675 | 11 | 0 | 0 | 6 | 7 | 699 |
| Current income tax assets | | 49 | 18 | 8 | 0 | 32 | 4 | 111 |
| Short-term trade and other receivables | 4.2 | 1,142 | 186 | 4 | 0 | 178 | -143 | 1,367 |
| Trade receivables for sales and services | | 974 | 86 | 1 | 0 | 74 | -116 | 1,019 |
| Other short-term receivables | | 168 | 100 | 3 | 0 | 105 | -29 | 347 |
| Other short-term financial assets | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash and cash equivalents | 5.2 | 3,010 | 2,569 | 60 | 0 | 2,788 | -1,901 | 6,526 |
| Loans with Group companies | | 959 | 535 | 52 | 0 | 358 | -1,904 | 0 |
| Other | | 2,050 | 2,034 | 7 | 0 | 2,430 | 5 | 6,526 |
| Short term financial derivatives at fair value | 5.5 | 1 | 64 | 1 | 0 | 6 | 0 | 72 |
| **TOTAL ASSETS** | | **6,024** | **12,185** | **397** | **3,316** | **3,627** | **-2,458** | **23,091** |

| Liabilities and equity (millions of euros) | Note | Construction | Toll roads | Airports | Services | Other areas | Adjustments | 2020 (*) |
|---|---|---|---|---|---|---|---|---|
| **Equity** | 5.1 | **1,222** | **4,698** | **388** | **926** | **-3,667** | **223** | **3,790** |
| Equity attributable to shareholders | | 1,090 | 4,195 | 388 | 916 | -3,667 | 228 | 3,150 |
| Equity attributable to non-controlling interests | | 132 | 503 | 0 | 10 | 0 | -5 | 640 |
| **Deferred income** | 6.1 | **0** | **1,257** | **0** | **0** | **24** | **0** | **1,281** |
| **Non-current liabilities** | | **525** | **5,824** | **0** | **0** | **3,627** | **-392** | **9,584** |
| Pension plan deficit | 6.2 | 4 | 0 | 0 | 0 | 0 | 0 | 4 |
| Long-term provisions | 6.3 | 144 | 111 | 0 | 0 | 187 | 0 | 442 |
| Long-term lease liabilities | 3.7 | 80 | 2 | 0 | 0 | 11 | 0 | 93 |
| Borrowings | 5.2 | 185 | 5,114 | 0 | 0 | 3,206 | -421 | 8,084 |
| Payables to group companies | | 55 | 114 | 0 | 0 | 250 | -419 | 0 |
| Other | | 130 | 5,000 | 0 | 0 | 2,956 | -2 | 8,084 |
| Debentures and debts of infrastructure project companies | | 87 | 4,999 | 0 | 0 | 106 | 0 | 5,192 |
| Debt securities and payables of ex-infrastructure project | | 42 | 0 | 0 | 0 | 2,850 | 0 | 2,892 |
| Other payables | 6.4 | 4 | 30 | 0 | 0 | 0 | 29 | 63 |
| Deferred taxes | 2.8 | 103 | 225 | 0 | 0 | 123 | 0 | 451 |
| Financial derivatives at fair value | 5.5 | 5 | 342 | 0 | 0 | 100 | 0 | 447 |
| **Current liabilities** | | **4,277** | **406** | **9** | **2,390** | **3,643** | **-2,289** | **8,435** |
| Liabilities classified as held for sale | 1.1.3 | 86 | 0 | 0 | 2,390 | 0 | 0 | 2,476 |
| Short-term lease liabilities | 3.7 | 63 | 1 | 0 | 0 | 4 | 0 | 68 |
| Borrowings | 5.2 | 217 | 196 | 7 | 0 | 3,363 | -2,105 | 1,678 |
| Payables to group companies | | 199 | 154 | 7 | 0 | 1,746 | -2,106 | 0 |
| Other | | 18 | 42 | 0 | 0 | 1,617 | 1 | 1,678 |
| Financial derivatives at fair value | 5.5 | 5 | 41 | 4 | 0 | 2 | 0 | 52 |
| Current income tax liabilities | | 55 | -72 | -5 | 0 | 108 | 8 | 94 |
| Short-term trade and other payables | 4.3 | 3,083 | 122 | 3 | 0 | 112 | -204 | 3,116 |
| Trade provisions | 6.3 | 768 | 118 | 0 | 0 | 54 | 12 | 952 |
| **TOTAL LIABILITIES AND EQUITY** | | **6,024** | **12,185** | **397** | **3,316** | **3,627** | **-2,458** | **23,091** |

(*) Restated figures (Note 1.1.5)

The detail of total assets by geographical area is as follows:

| (Millions of euros) | 2021 | 2020 (*) | CHANGE |
|---|---|---|---|
| Spain | 2,995 | 6,640 | -3,646 |

| | | | |
|---|---|---|---|
| Canada | 3,506 | 3,186 | 320 |
| USA | 12,988 | 7,892 | 5,096 |
| UK | 1,838 | 2,002 | -165 |
| Poland | 1,551 | 1,721 | -170 |
| Chile | 534 | 437 | 97 |
| Other | 1,483 | 1,212 | 271 |
| **TOTAL** | **24,896** | **23,091** | **1,805** |

(*) Restated figures (Note 1.1.5)

## Income statement by business segment: 2021 (millions of euros).

| | Construction | Toll roads | Airports | Services | Other segments | Adjustments | Total 2021 |
|---|---|---|---|---|---|---|---|
| Revenue | 6,077 | 588 | 2 | 0 | 277 | -166 | 6,778 |
| Other operating income | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| **Total operating income** | **6,078** | **588** | **2** | **0** | **277** | **-166** | **6,779** |
| Materials consumed | 1,046 | 3 | 0 | 0 | 28 | 0 | 1,077 |
| Other operating expenses | 3,720 | 120 | 24 | 0 | 199 | -166 | 3,897 |
| Staff costs | 1,067 | 50 | 4 | 0 | 88 | 0 | 1,209 |
| **Total operating expenses** | **5,833** | **173** | **28** | **0** | **315** | **-166** | **6,183** |
| **EBITDA** | **245** | **415** | **-26** | **0** | **-38** | **0** | **596** |
| Fixed asset depreciation | 112 | 141 | 0 | 0 | 7 | -1 | 259 |
| Operating profit/(loss) before impairment and disposal of fixed assets | 132 | 275 | -26 | 0 | -45 | 1 | 337 |
| Impairment and disposal of fixed assets | 22 | 1,117 | 0 | 0 | 1 | -1 | 1,139 |
| **Operating profit/(loss)** | **154** | **1,392** | **-26** | **0** | **-44** | **0** | **1,476** |
| Net financial income/(expense) from financing | -7 | -206 | 0 | 0 | -6 | -1 | -220 |
| Profit/(loss) on derivatives and other net financial income/(expense) | 0 | -89 | 0 | 0 | 1 | 1 | -87 |
| Net financial income/(expense) from infrastructure projects | -7 | -295 | 0 | 0 | -5 | 0 | -307 |
| Net financial income/(expense) from financing | 1 | 10 | 0 | 0 | -36 | -1 | -26 |
| Profit/(loss) on derivatives and other net financial income/(expense) | -24 | 1 | -6 | 0 | 27 | 1 | -1 |
| Net financial income/(expense) from other companies | -23 | 11 | -6 | 0 | -9 | 0 | -27 |
| **Net financial income/(expense)** | **-30** | **-284** | **-6** | **0** | **-14** | **0** | **-334** |
| Share of profits of equity-accounted companies | 0 | 81 | -254 | 0 | -5 | 0 | -178 |
| **Consolidated profit/(loss) before tax** | **124** | **1,189** | **-286** | **0** | **-63** | **0** | **964** |
| Corporate income tax | -49 | -71 | 7 | 0 | 122 | 1 | 10 |
| Consolidated profit/(loss) from continuing operations | 75 | 1,118 | -279 | 0 | 59 | 1 | 974 |
| Net profit/(loss) from discontinued operations | 115 | 0 | 0 | 246 | 0 | 0 | 361 |
| **Consolidated profit/(loss) for the year** | **190** | **1,118** | **-279** | **246** | **59** | **1** | **1,335** |
| Profit/(loss) for the year attributed to non-controlling interests | -105 | -29 | 0 | -3 | 0 | -1 | -138 |
| **Profit/(loss) for the year attributed to the parent company** | **85** | **1,089** | **-279** | **243** | **59** | **0** | **1,197** |

**Income statement by business segment: 2020 (millions of euros).**

| | Construction | Toll roads | Airports | Services | Other segments | Adjustments | Total 2020 (*) |
|---|---|---|---|---|---|---|---|
| Revenue | 5,984 | 439 | 1 | 0 | 235 | -127 | 6,532 |
| Other operating income | 1 | 0 | 0 | 0 | 0 | 1 | 2 |
| **Total operating income** | **5,985** | **439** | **1** | **0** | **235** | **-126** | **6,534** |
| Materials consumed | 962 | 2 | 0 | 0 | 25 | 1 | 990 |
| Other operating expenses | 3,767 | 98 | 17 | 0 | 171 | -127 | 3,926 |
| Staff costs | 1,042 | 59 | 7 | 0 | 105 | -1 | 1,212 |
| **Total operating expenses** | **5,771** | **159** | **24** | **0** | **301** | **-127** | **6,128** |
| **EBITDA** | **214** | **280** | **-22** | **0** | **-66** | **0** | **406** |
| Fixed asset depreciation | 113 | 108 | 0 | 0 | 11 | 1 | 233 |
| Operating profit/(loss) before impairment and disposal of fixed assets | 101 | 171 | -23 | 0 | -76 | 0 | 173 |
| Impairment and disposal of fixed assets | 0 | 9 | 0 | 0 | 7 | 0 | 16 |
| **Operating profit/(loss)** | **101** | **180** | **-23** | **0** | **-69** | **0** | **189** |
| Net financial income/(expense) from financing | -9 | -230 | 0 | 0 | -6 | 1 | -244 |
| Profit/(loss) on derivatives and other net financial income/(expense) | 2 | 36 | 0 | 0 | -1 | 0 | 37 |
| Net financial income/(expense) from infrastructure projects | -7 | -194 | 0 | 0 | -7 | 1 | -207 |
| Net financial income/(expense) from financing | 10 | 24 | 0 | 0 | -42 | 0 | -8 |
| Profit/(loss) on derivatives and other net financial income/(expense) | -21 | 9 | -3 | 0 | -12 | -1 | -28 |
| Net financial income/(expense) from other companies | -11 | 33 | -3 | 0 | -54 | -1 | -36 |
| **Net financial income/(expense)** | **-18** | **-161** | **-3** | **0** | **-61** | **0** | **-243** |
| Share of profits of equity-accounted companies | 1 | 67 | -439 | 0 | -2 | 0 | -373 |
| **Consolidated profit/(loss) before tax** | **84** | **86** | **-465** | **0** | **-132** | **0** | **-427** |
| Corporate income tax | -29 | -8 | 7 | 0 | 65 | -1 | 34 |
| Consolidated profit/(loss) from continuing operations | 55 | 78 | -458 | 0 | -67 | -1 | -393 |
| Net profit/(loss) from discontinued operations | 35 | 0 | 0 | -16 | 0 | 0 | 20 |
| **Consolidated profit/(loss) for the year** | **90** | **78** | **-458** | **-16** | **-67** | **-1** | **-373** |
| Profit/(loss) for the year attributed to non-controlling interests | -42 | -7 | 0 | -2 | 1 | -1 | -51 |
| **Profit/(loss) for the year attributed to the parent company** | **48** | **71** | **-458** | **-18** | **-66** | **-2** | **-424** |

(*) 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.

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, 2021

Building a better
working world

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# 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, 2021, 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, 2021 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.

## 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.<br><br>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:<br><br>▶ 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.<br><br>▶ 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.<br><br>▶ 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.<br><br>▶ 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.<br><br>▶ Determining whether the provisions recognized at year-end reasonably reflect the main obligations and the level of risk of the contracts in question.<br><br>▶ 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, 2021 includes 11,185 million euros for this item, of which 11,016 million euros correspond to concessions considered as financial assets and 169 million euros to concessions considered as intangible 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.

*Classification and valuation of assets and liabilities held for sale and income and expenses from discontinued operations*

| | |
|---|---|
| Description | As explained in Notes 1.1.3, 1.3.3.5, 1.3.3.6 and 2.9 to the accompanying consolidated financial statements, the Group records as non-current assets and liabilities as held for sale and as discontinued operations the main assets and liabilities and income and expenses, respectively, linked to the services business line since the conditions set forth in IFRS 5 "Non-current assets held for sale and discontinued operations" are met. Accordingly, net assets corresponding to discontinued operations are measured at the lower of carrying amount and fair value less costs to sell and are not subject to amortization/depreciation.<br><br>The Group has recorded as of December 31, 2021, under "Assets classified as held for sale and from discontinued activities" and "Liabilities classified as held for sale and from discontinued activities" of the consolidated statement of financial position 1,761 and 1,478 million euros, respectively, relating to assets and liabilities linked to the services business line and under "Results from discontinued operations" in the consolidated profit and loss account 361 million euros in profits corresponding to said business line.<br><br>We have considered this area as a key audit matter in our audit due to the fact that the determination of the short-term probability of disposal of the services division in the different geographical areas, as well as the estimation of the fair value less costs to sell of the affected net assets require using valuation techniques that include making assumptions and that the Group make judgments to determine them. |
| Our response | In this regard, our audit procedures included:<br><br>▶ Understanding of the process established by the Group Management for the classification of assets and liabilities as held for sale and income and expenses as results of discontinued operations and their valuation, and evaluation of the design and implementation of the relevant controls established in the aforementioned process.<br><br>▶ Reviewing the documentation supporting the Group's decision to continue classifying the assets and liabilities of the services line as discontinued operations.<br><br>▶ Evaluating the methodology and valuation hypotheses used by Group´s Management and review, where appropriate, of the acquisition offers received from third parties.<br><br>▶ Reviewing the results of the comparison made by Ferrovial Group management of the carrying amounts and fair values less costs to sell of discontinued operations, ensuring that they were correctly recorded.<br><br>▶ Reviewing the correct accounting of the disposal operations of the Services division carried out in the year 2021.<br><br>▶ Checking that the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework. |

*Recoverability of the investment held in 407 International Inc. and goodwill*

| | |
|---|---|
| Description | As explained in Note 3.5 to the accompanying consolidated financial statements, at December 31, 2021, the Group had an investment in the associate 407 International Inc. amounting to 1,181 million euros, respectively.<br><br>Moreover, as explained in Note 3.1, the Group has goodwill on consolidation amounting to 208 million euros at December 31, 2021 related to certain investments, associated primarily with cash generating units of the Construction and Toll roads Divisions.<br><br>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.<br><br>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:<br><br>▶ 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.<br>▶ 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.<br>▶ 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.<br>▶ Reviewing projected financial information, analyzing the congruency among the various assumptions and their reasonableness.<br>▶ Verifying that the financial projections used to calculate value in use agree with the latest financial information available to management.<br>▶ Analyzing the sensitivity of profit and loss to certain key assumptions.<br>▶ Checking that the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework. |

*Recognition and valuation of the business combination related to I66 Express Mobility Partners Holdings, LLC.*

| | |
|---|---|
| Description | As explained in Note 1.1.4 to the consolidated financial statements, Cintra, a subsidiary of Ferrovial Group that indirectly owner of 50% of the share capital of the concessionaire I-66 Express Mobility Partners Holdings, LLC acquired on December 17, 2021 an additional 5.704% of the share capital of said company for 182 million dollars (approximately 162 million euros). As a result, Ferrovial's Group total share in the concessionaire company is 55.704%, giving Ferrovial control of the company. Consequently, the share in the concessionaire, which was formally accounted for using the equity method, is currently accounted for using the full consolidation method.<br><br>This transaction has led the Group to the recognition of an income in the consolidated income statement amounting to 1,101 million euros since it valued the pre-existing interest at fair value in accordance with IFRS 3 "Business combinations".<br><br>The determination of the fair values of the identifiable assets acquired and the liabilities assumed in this business combination requires making complex estimates, which entails the application of judgments in the establishment of the assumptions considered by the Group's Management in relation to said estimates, which include, among others, the allocation of the price paid to the concession assets and the valuation of the financial debt assumed.<br><br>We have considered this area as a key audit matter in our audit due to the complexity inherent in the estimation process, as well as the significant impact that changes in the assumptions made could have on the accompanying consolidated financial statements, together with the relevance of the amounts involved.<br><br>The disclosures related to the valuation standards of this transaction, as well as its related impacts, are included in Note 1.1.4 in the accompanying consolidated financial statements. |
| Our response | In this regard, our audit procedures included:<br>▶ Understanding of the process followed by the Group's Management for the registration and valuation of the business combination.<br>▶ Reviewing the purchase-sale contract as well as the related documentation supporting the amount paid.<br>▶ Reviewing the acquired concessionaire company's financial information substantiating the main consolidated balance sheet headings.<br>▶ Reviewing the valuation method used by Group management to determine the fair values of the assets and liabilities assumed, involving our valuation specialists in the review of the mathematical uniformity and the evaluation of the reasonableness of the discount and long-term growth rates used, as well as involving our financial instruments experts in calculating the fair value of the debt.<br>▶ Review, in collaboration with our valuation specialists, of the calculation of the fair value of the 50% stake that the Ferrovial Group holds in I-66 Express Mobility Partners Holding, LLC prior to the business combination.<br>▶ Reviewing the accounting and tax impacts derived from the business combination and verification of its proper registration in the consolidated financial statements.<br>▶ 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 2021 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 2021 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.

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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 2021 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 2021 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 23, 2022.

## 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 24, 2022