

GLOBAL VISION

Shared value

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

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

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

This context presents several opportunities and challenges for Ferrovial:

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

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

STRATEGY

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

Strategic priorities

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

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

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

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

Horizon 24: Year Two

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

VISION

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

PURPOSE

Sustainable infrastructure for a world on the move

- **People**
- **Sustainable growth**
- **Operational excellence**
- **Innovation**

