

## **M&G Investments question**

I am writing on behalf of M&G Investment Management to raise the subject of diversity in advance of the company's AGM.

In our view, Boards should regularly consider the issue of diversity, particularly gender diversity, in respect of board composition and the employee population. As signatories to the UK 30% Club, we are now actively engaging on board diversity, both with our UK and International holdings. Whilst we take into account that various regions may be adhering to local diversity best practice, we do not think your current board composition is in line with expectations.

We note that your board currently comprises of ten male directors and two female directors. Our expectation for a twelve member board is that at least three directors are female.

We would very much like to understand the company's approach to diversity and the circumstances of the board's current composition and look forward to hearing from you prior to us lodging our AGM vote.

## **Ferrovial response**

There are currently 2 female Directors in the Board (Ms. María del Pino and Ms. Hanne Sorensen) out of a total of 12 members, representing 16.67%. This number has not changed in 2020 as there has not been vacancies in the Board of Directors.

Ferrovial has a Board Composition Policy, updated at the end of 2020, which sets a target of 30% of female Directors by the end of 2022. Said Policy indicates that the Directors selection process shall attempt to procure an appropriate balance of the Board of Directors, which enriches and contributes a plurality of views to the debates and decision taking.

To achieve this objective, attempts will be made to identify candidates who bring diversity of knowledge, experience, nationality, age and gender, and any kind of implicit bias that could entail some form of discrimination shall be avoided. Likewise, the external advisor who, where applicable, may collaborate in the selection of candidatures, will be encouraged, to searching for and presenting candidatures from the less represented gender, provided that they meet the requirements envisaged in the Policy itself.

The Nomination and Remuneration Committee of Ferrovial has included in the matters to be dealt with at its meetings in 2021, in addition to the verification of the Board Composition Policy, the specific review of the progress made by Ferrovial in the Board's diversity matters.