

**CODE:** NG.FER.EF.003**TITLE:** Tax Compliance and Best Tax Practices Policy.**VERSION:** 2**SCOPE:** General**LAST REVIEW:** 12/06/2013**CANCELS:** N/A**DATE OF DISSEMINATION:** March 3<sup>rd</sup>, 2021**LANGUAGE OF THE ORIGINAL VERSION:**  
Spanish**APPROVED BY:** Ferrovia Board of Directors**ISSUING AREA:** Ferrovia Tax Directorate

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#### Review history

Version	Date of dissemination	Reason and summary of changes	Cancels/Replaces
2	March 3 <sup>rd</sup> , 2021	BoD assumes the approval of this policy. Amends the standard in according with UNE 19602:2019. Adapts to the new rules of internal regulations.	NPT100

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## I. INTRODUCTION

In 2004 the Board of Directors (hereinafter the **"BoD"**) of Ferrovial, SA (hereinafter the **"Company"**) approved the Corporate Code of Ethics, which includes respect for the law, as one of the basic principles of company and its employees' behavior.

Developing this basic principle, the BoD approves this Tax Compliance and Best Tax Practices Policy (**"Tax Compliance Policy"**), which: (i) expressly articulates the general commitment of Ferrovial, SA and its subsidiaries (the **"Group"**), to comply with tax legislation in Spain and in all other countries in which it operates, and (ii) includes the development and implementation of best practices in this area within Ferrovial's Rules of Corporate Governance.

This Tax Compliance Policy is established as mandatory and includes the recommendations in the standard UNE 19602:2019 "Sistemas de gestión de compliance tributario" (Tax Compliance Management Systems) and the Code of Good Tax Practices approved by the Spanish Tax Authorities, which the Company adhered to in November 2010, adapted to the specific circumstances of the Group.

## II. GOAL

The purpose of this Tax Compliance Policy is to guarantee that Group operations are based on clear principles, values and rules which permit any employee, entity or person who maintains relationships with the Group, and the BoD itself, to adopt the right decisions to comply with tax legislation.

## III. SCOPE

This Tax Compliance Policy will be applicable to the Company and any other entity (of any legal nature) that are included within the Group, notwithstanding their business sector, geographical location or activity.

In this respect, Group means the Company and the entities of the consolidated group and, in general, any entity under its direct or indirect "control", assuming this control exists whenever Company representatives are in a majority on their board of directors.

In entities where the Company does not hold a controlling stake, the Group will foster the application of the principles, values and rules included in this Tax Compliance Policy, through its board of directors' representatives. In the same way, the Group will encourage third parties who are rendering services to or collaborating with the Group, to apply said principles, values and rules.

#### IV. VALIDITY

This Tax Compliance Policy will come into force when it is approved by the BoD and will remain valid indefinitely, although it will be reviewed when circumstances require so and at least every 2 years.

#### V. ACCOUNTABILITY

The Group is committed to fulfilling its tax obligations in all the territories in which it develops business activities and maintaining an appropriate relationship with the corresponding tax authorities. Group employees and collaborators are responsible for complying with this commitment, assuming the following **“Best Practices in Tax Matters”**:

##### *a) Tax Risk Prevention*

Without prejudice to an efficient business management, the Group will address the development of its activities to these principles of proper and diligent Tax Compliance Policy:

- (i) Overseeing appropriate compliance with its tax obligations, in a timely manner and in the right way, including all significant information and doing so according to the applicable legislation.
- (ii) Setting up the adequate internal procedures to analyze the tax issues of any investment, corporate transaction, agreement or any other transaction before they are carried out.
- (iii) Controlling that Group taxation keeps the adequate relationship with the structure and location of its activities, human and material resources of the involved entities and the business and financial risk assumed by them.
- (iv) Fostering practices aimed at preventing and mitigating significant tax risks.
- (v) Minimizing disputes arising from the interpretation of applicable regulations by using instruments established for this purpose by tax legislation (request for a ruling, advance pricing agreements, etc.)
- (vi) Avoiding the use of opaque structures for tax purposes, which are those where, by interposing companies located in tax havens or non-cooperating states, are intended to prevent the competent tax authorities acquiring knowledge of the activities or the ultimate owner of the rights or assets involved.
- (vii) Appraising the intragroup transactions at arms' length market prices, complying with the reporting obligations on transfer pricing set by the applicable legislation.
- (viii) Aligning this Tax Compliance Policy and Ferrovial's Tax Management and Risk Control System (“TMRCS”) with the policies, rules and instructions that make up Company Corporate Governance.

*b) Relations with Tax Authorities:*

The relationship of the Company with competent Tax Authorities shall be governed by the principles of transparency and mutual trust, with the Group adhering to the following good tax practices:

- (i) Cooperate with the competent tax authorities in the detection of and searching for solutions regarding ongoing fraudulent tax practices occurring in the markets where the Company is present, to eliminate existing fraudulent practices and prevent extension.
- (ii) Provide information and documentation requested by the competent Tax Authorities in the shortest achievable timeframe and in the most comprehensive possible form.
- (iii) Make use of all the possibilities offered by the contradictory nature of the tax audit, seeking to reach agreement, where feasible, with the competent tax authorities throughout the whole process.

This Tax Compliance Policy is developed through several internal rulings, procedures, instructions and circulars which form part of the TMRCS and leverages on the Corporate Governance due diligence procedures and rules.

Non-compliance with this Tax Compliance Policy and/or any illegal or criminal action will be punished in accordance with the internal rules, the applicable legislation or the disciplinary regime, depending on the case. Mercantile legislation will be applicable in the case of BoD members. Disciplinary measures will be imposed in accordance with the degree of the detected non-compliant actions, in order to correct them.

In order to guarantee compliance with this Tax Compliance Policy, the Group:

- 1) Grants employees and entities access to Ferrovial Tax Directorate advisory services, which will recommend the actions to adopt in order to guarantee compliance with the applicable tax legislation.
- 2) Provides, through the Ferrovial Tax Directorate, the appropriate training with a view to reinforcing tax compliance and achieving the objectives of this Tax Compliance Policy and disseminating the Group's TMRCS functioning.
- 3) Grants everyone access to the Ethics Line included in the Group Compliance Program to communicate irregular tax behaviors or ask questions about the Group's TMRCS.

## VI. MONITORING

The Company BoD is expressly accountable for (i) setting up the risk control and management policy, including tax risks; (ii) approving investments and transactions which, due to their value or specific features, imply a special tax risk; and (iii) establishing the Company tax strategy.

Pursuant to the above, the BoD, through its Chairman, CEO and senior executives, and specially through Ferrovia Tax Directorate, will foster Group compliance with tax principles and best practices mentioned in this Tax Compliance Policy and with others of the same nature that in the future may be included.

The Group's TMRCs supervisory functions have been assigned to Ferrovia Compliance Directorate, supported by Ferrovia Tax Directorate, since these functions are already part of their responsibilities. Ferrovia Compliance Directorate will carry out these functions independently and on a permanent basis.

### ***Reporting the Board of Directors***

Prior to the formulation of the annual financial accounts and the filing in of the Corporate Income Tax return, Ferrovia Tax Director will report to the BoD, directly or through the Audit and Control Committee, on the tax policies applied by the Company during the year and in particular on the compliance degree of this Tax Compliance Policy. The Tax Director will also report the conclusions of the evaluation of the Group's TMRCs functioning and efficiency.

In case of transactions or matters to be submitted for approval by the BoD, it shall be informed of the tax consequences thereof where they are deemed to be relevant.

## **VII. DISSEMINATION**

This Tax Compliance Policy will be disseminated through the Company corporate website and its announcement on the intranet.

### ***Information to the market on the compliance of the Tax Compliance Policy***

The Annual Corporate Governance report of the Company shall reflect the effective compliance of this Tax Compliance Policy.