

CORPORATE GOVERNANCE

Corporate Governance¹

Ferrovial's corporate governance is underpinned by three key values: efficiency, integrity and transparency. All three are essential for building trust, managing potential risks and generating value for shareholders.

Efficiency

- Regular independent evaluation by the Board of Directors
- Periodic analysis of domestic and international good governance best practices and regulations.

Integrity

- 50% of Board of Directors are independent members.
- Compliance with recommendations of the Unified Code of Good Governance.

Transparency

- Publication of Annual Corporate Governance Report.
- Publication of Annual Board of Directors' Remuneration Report.
- Publication of Audit and Control Committee activities, including results (see appendix: Audit And Control Committee Report).

Structure



Ferrovial observes the standards and principles of domestic and international best practices in relation to good corporate governance, as adapted to the Company's nature, structure and evolution.



12
members



1
lead director



50%
independents



3 years
board members
reelected



8.3%
female Board
members



95.8%
board attendance
to total votes



5
meetings of Audit and
Control Committee in
2014



42.2%
voting rights assigned to
Board of Directors

[1] Describes the situation in the 2014 financial year up to the introduction of Law 31/2014 (December 3), amending the Spanish Corporations Act with a view to improving corporate governance.

Board of Directors

MAIN DUTIES: To supervise Ferrovial's activity with a view to ensuring that the business mission is achieved, while striving to protect the Company's general interests and create value for all shareholders.

Directly or through its committees, the Board of Directors remains abreast of a series of issues that require decisions on the same. These include:

- Approving strategic guidelines, management objectives and Ferrovial's annual budget.
- Approving policies on different issues.
- Appointing and dismissing the Company's CEO.
- Deciding on the remuneration of Executive Directors.
- Drawing up financial statements.
- Approving strategic investments or operations, except when these must be approved by the AGM.
- Approving the creation and acquisition of holdings in companies with registered offices in a tax haven, or special purpose entities that may affect the group's transparency.
- Granting exemptions and other permissions regarding the duties of board members.

Executive Committee

MAIN DUTIES

- Monitoring Ferrovial's financial, commercial and investment strategy.
- Has been delegated all powers corresponding to the Board of Directors, except for powers that cannot be delegated for legal or statutory reasons.

Appointments and Remunerations Committee

Comprised of Independent Members.

MAIN DUTIES

- To recommend the appointment of Independent Members and report on proposed appointments for other Members.
- To recommend the Lead Director and Members of each Committee.
- To analyze the process for orderly succession of Chairman and CEO.
- To notify of the appointment or dismissal of executives reporting to CEO.
- To propose the system and amount of annual remuneration for Directors.
- To report on contracts and remuneration of senior executives.

Audit and Control Committee

Comprised of four External Members.

MAIN DUTIES

- To recommend appointment of external financial auditors.
- To establish appropriate measures for controlling the provision of consultancy services by external auditors.
- To act as a communications channel between the Board of Directors and external auditors, and assess audit results.
- To recommend the selection, appointment, reelection or replacement of the Director of Internal Audits.
- To supervise internal audit services.
- To supervise information for approval by Board of Directors.
- To assist the Board in ensuring the correctness and reliability of periodic financial information.
- To analyze and assess main business risks and their management and control systems.
- To set up and supervise a system that allows any employee to confidentially and, if so desired, anonymously report inappropriate situations within Ferrovial.
- To report creation and acquisition of holdings in companies whose registered office is in a tax haven.
- To supervise compliance with internal regulations on corporate governance and conduct in securities markets.
- To understand and supervise the efficacy of internal control at the company.



6.2. REMUNERATION PRINCIPLES & POLICY FOR DIRECTORS

REMUNERATION PRINCIPLES & POLICY FOR DIRECTORS

A combination of talent and commitment has been a cornerstone of the company's success. Its remuneration policy aims to attract, retain and secure the commitment of the best professionals to achieve the company's long-term goals. The following were taken into account when establishing this policy: the economic climate, company results, group strategy, legal requirements and market best practices. The aim was to create a competitive remuneration policy in the benchmark markets where the company operates.

The remuneration policy is based on the following principles and criteria:

Principles :

- Creating long-term value by aligning remuneration systems with the Strategic Plan.
- Attracting and retaining the finest professionals:
 - External remuneration competitiveness, referring to the market by means of analysis of comparable sectors and companies.
 - Periodic involvement in plans linked to this activity and connected with achieving certain profitability metrics.
- Responsible objective compliance, pursuant to the risk management policy.
- Transparency;
- Reasonable balance between fixed remuneration components (short term) and variable components (annual and long term), reflecting appropriate risk assumption in combination with objective attainment.

Internal criteria for defining remuneration policies for Executive Directors:

- Breakdown of remuneration into fixed and variable elements.
- Associating variable elements with the achievement of corporate objectives.
- Alignment with Ferrovial's objectives via:
 - Periodic involvement in plans linked to this activity and connected with achieving certain profitability metrics.
 - In some cases, recognition of a deferred remuneration item.
 - Not accepting pension commitments.
- Applicable regulations.
- Objectives enshrined in the Group's Strategic Plan, making it possible, for example, to define metrics that should be linked with annual variable remuneration and medium-/long-term remuneration.
- Market data: Ferrovial follows the market's best remuneration practices and refers to studies by prestigious firms.

Article 34 of the Board's Regulations states the following in relation to the remuneration policy for directors:

- Remuneration for External Directors shall be determined so as to adequately compensate for the dedication required by the position without comprising their independence.
- Variable formulas shall ensure a correlation with the professional performance of beneficiaries and shall not depend solely on external factors.
- Formulas comprising the delivery of shares, options, share-linked instruments or instruments linked to the Company's performance shall only apply to Executive Directors.
- The Board will draw up an annual report on the remuneration of its Directors, in compliance with applicable regulations; this report will be sent and submitted for advisory vote at the AGM, as a separate item on the agenda.

The Annual Board of Directors' Remuneration Report is available via www.ferrovial.com

GENERAL PRINCIPLES OF THE REMUNERATION POLICY FOR EMPLOYEES

Ferrovial's commitment to its employees and to retaining talent is evident in its remuneration policies. These are established in accordance with criteria regarding competitiveness in the leading markets in which it operates, and include fixed remuneration and short-term variable remuneration (annual) adjusted to local markets. Company management, in particular the Remuneration and Benefits Department, monitors compliance with confidentiality requirements and ensures that its remuneration policy is compliant with internal and external equality standards.

Ferrovial considers variable remuneration to be a key element of its remuneration policy, as this drives value creation in each of the company's divisions, rewarding individual, team and group contributions. The variable remuneration system covers 19% of the workforce. Including structural personnel, i.e. personnel not subject to contracts, it would account for 100% of the workforce.

Ferrovial believes that the current annual variable remuneration system is appropriate for the company's goals. These indicators are linked to performance and the achievement of specific financial, industrial and operational targets, which are pre-established, quantifiable and coherent with the company's strategy.

Quantitative targets: the weighting of these targets is established subject to the employee's level at the company and is comprised of metrics to guarantee a good fit between financial and operational aspects (net profit, cash flow) at the company, division and department in question.

Qualitative targets: this type of target has a set and less significant weighting in incentives, and is linked to individual performance appraisal.

In addition, work has been ongoing during the year on the "12,000 Plan", a remuneration package that pays a proportion of variable remuneration in company stock and which any employee with a variable remuneration system is eligible to join.

This year, the 2nd Long-term Remuneration Plan was approved, affecting 350 people globally. Ferrovial's policy on long-term variable remuneration is based on the following principles:

- Alignment with shareholder interests, through plans based on actions and metrics linked to value creation for the shareholder.
- Use of more than one metric, ensuring an overview of all results obtained.
- Use of a relative metric to allow the company's results to be compared against a group of similar companies.
- Measurement periods that last at least three years.

FLEXIBLE REMUNERATION

Ferrovial offers a Flexible Remuneration Plan, under which an employee's existing remuneration package can be voluntarily amended in accordance with personal needs, replacing a proportion of their remuneration with certain products in order to optimize cash flow, supporting the provision of certain services (computer equipment, health insurance, vehicle renting, nursery vouchers, life and accident insurance, transport pass) via the company, potentially at more competitive prices thanks to the company's size.

Executive Directors Remuneration (thousand €)	Fixed remuneration	Variable remuneration	Share option/award schemes ⁽¹⁾	Others ⁽²⁾	Total
Rafael del Pino y Calvo-Sotelo	1,175	2,128	2,054	6	5,363
Joaquín Ayuso García ⁽³⁾	0	0	1,372	5	1,377
Íñigo Meirás Amusco	970	1,910	2,187	3	5,070
TOTAL	2,145	4,038	5,613	14	11,810

(1) In March 2014, since the agreed conditions had been complied with in full, a number of shares equivalent to the units allocated in 2011 were delivered, after the relevant withholdings were performed. The CNMV was notified thereof on 18 March 2014.

(2) Directorships of other subsidiaries and insurance premiums

(3) Joaquín Ayuso has exercised rights on the 2008 Stock Options Plan. This plan, under which he still retains rights, was granted to him when he was Executive Director.

Senior Management Remuneration (thousand €)	2014
Fixed remuneration	4,472
Variable remuneration	5,360
Share option/award schemes	10,771
Others (*)	36
TOTAL	20,639

(*) Directorships of other subsidiaries and insurance premiums

6.3. BOARD OF DIRECTORS

Chairman

Rafael del Pino

Executive and Proprietary Director ●

Civil Engineer (Polytechnic University of Madrid, 1981). MBA (Sloan School of Management, MIT, 1986). Chairman of Ferrovial since 2000 and CEO since 1992. Chairman of Cintra from 1998 to 2009. Member of the MIT Corporation, member of the International Advisory Board of Blackstone, IESE and MIT Energy Initiative, and of the Harvard Business School and MIT Sloan European Advisory Boards. He has been Director of Banesto and Uralita.

Deputy Chairmen

Santiago Bergareche

Independent ● ●

Graduate in Economics and Law (Deusto University). Director of Ferrovial since 1999. He joined Ferrovial in 1995 as Chairman of Agroman; from February 1999 to January 2002 he was CEO of Ferrovial. Chairman of Dinamia Capital Privado and CEO of Vocento, Maxam, and Deusto Business School. Has been Chairman of Cepsa, Managing Director of Banco Bilbao Vizcaya Argentaria (BBVA), and Chairman of Metrovacesa.

Joaquín Ayuso

External ● ●

Civil Engineer (Polytechnic University of Madrid). He joined Ferrovial in 1982; appointed Managing Director of Construction in 1992. CEO of Ferrovial Agroman between 1999 and 2002. He was CEO of Ferrovial and Deputy Chairman of Cintra between 2002 and 2009. Director of Bankia and National Express Group. Member of the Advisory Board of the Benjamin Franklin University Institute for North American Research and member of the Advisory Board of A.T. Kearney for Spain and Portugal. Former Director of Holcim España, S.A.

CEO

Íñigo Meirás

Executive ●

Degree in Law from (Complutense University, Madrid), MBA from Instituto de Empresa. CEO of Ferrovial since 2009. Joined Ferrovial in 1992. Former Managing Director of Autopista del Sol and Director of Toll Roads for Cintra. CEO of Ferrovial Services from 2000 to 2007; after that, CEO of Ferrovial Airports. Formerly, he worked with the Holcim Group and Carrefour Group.

Directors

Jaime Carvajal

Independent ● ●

Graduate in Law (Complutense University, Madrid); Master's Degree in Economics from Cambridge University. Director of Ferrovial since 1999. Special Partner of Advent Internacional. Chairman of ABB (Spain); Director of Aviva (Spain) and Maxam. He has been Chairman of Ford España and Ericsson España and Director of Telefónica, Repsol YPF and Unión Fenosa.

Portman Baela, S.L.

External Proprietary ●

Proprietary Director represented by Leopoldo del Pino

Graduate in Civil Engineering (Politécnica University, Madrid); MBA from INSEAD. Representative of Portman Baela, S.L. on the Ferrovial Board since 2010. Sole Administrator of Estacionamientos Iberpark, S.A. and member of International Advisory Board of INSEAD. Among his previous positions are: Executive Vice-Chairman of Empark and Vice-Chairman of its Executive Committee; Director and member of the Executive Committee of Ebro Foods; Country Manager for Spain and member of the Management Committee of Cintra; Chairman of Ausol, Autema, Autopista Madrid Levant, Autopista Alcalá O'Donnell and Eslie; Chairman of ANERE; Vice-Chairman of ASESGA; Vice-Chairman of Autopista Trados 45 and of EULSA; Director of AUSSA and EGUISA; Managing Director of Cintra Aparcamientos and Dornier, and Managing Director of Industry, Energy and Mining in the Madrid Regional Government.

Juan Arena

Independent ● ●

PhD in Engineering from ICAI, Graduate in Business Studies from ICADE, Degree in Psychology, Diploma in Fiscal Studies and the AMP at Harvard Business School. Director of Ferrovial since 2000. Director of Laboratorios Almirall, Everis, Meliá Hotels International, PRISA and PANDA. Chairman of Fundación SERES, Chairman of the Advisory Board of Consulnor and Marsh, Member of the Advisory Board of Spencer Stuart, the Professional Council at ESADE, and the European Advisory Board at Harvard Business School. Director of Deusto Business School and Senior Lecturer at Harvard Business School (2009-2010). Former CEO and Chairman of Bankinter and Director of TPI and Dinamia.

María del Pino

External Proprietary ●

Graduate in Economics and Business (Complutense University, Madrid); PDD from IESE. Director of Ferrovial since 2006. Chairwoman of the Rafael del Pino Foundation. Rotation Chairwoman/Vice-Chairwoman of the Board of Directors of Casa Grande de Cartagena, S.L.U. Princesa de Asturias Member of the Board of Trustees. Member of the Boards of Trustees of the Codespa Foundation and of the Scientific Foundation of the Spanish Association Against Cancer. Former member of Governing Board of the Association for Management Progress (APD).

Santiago Fernández Valbuena

Independent ●

Graduate in Law (Complutense University, Madrid) and PhD and Master's in Economics from Northeastern University of Boston. Director of Ferrovial since 2008. Strategy Manager at Telefónica; Chairman of Fonditel and Director of Telefónica S.A. since 2012. Former Chairman of Telefónica Latinoamérica; Managing Director of Strategy, Finance and Development at Telefónica, Managing Director of Société Générale Valores and Stock Market Manager at Beta Capital; Professor of Applied Economics at Complutense University and Professor at Instituto de Empresa.

José Fernando Sánchez-Junco

Independent ● ●

Lead Director

Graduate in Industrial Engineering from the Polytechnic University of Barcelona. ISMP graduate of Harvard Business School. Member of the State Industrial Engineer Service. Director of Ferrovial since 2009. Director of Cintra from 2004 to 2009. Chairman and Managing Director of Maxam Group. Former Director General for the Iron, Steel and Shipbuilding Industries and General Director for Industry at the Ministry of Industry and Energy.

Karlovy, S.L.

External Proprietary Director represented by Joaquín del Pino

Graduate in Economics and Business; MBA from IESE. Representative of Karlovy, S.L. on the Ferrovial Board since 2010. Rotating Chairman/Vice-Chairman of the Board of Directors of Casa Grande de Cartagena, S.L.U. Legal representative of Soziancor, S.L.U. Chairman of the Board of Directors of Pactio Gestión, SGILC, S.A.U. Member of the Executive Board of SECOT and member of the Board of Trustees of the Rafael del Pino Foundation and Plan España Foundation. Former Director of Banco Pastor.

Howard L. Lance

Independent

Graduate in Industrial Engineering from Bradley University. MBA from Krannert School of Management, Purdue University. Director of Ferrovial since 2014. Advisor to The Blackstone Group. Chairman of Summit Materials, Inc. Chairman of Emdeon, Inc. Former Chairman and CEO of Harris Corporation, Director of Stryker, Inc., and Director of Eastman Chemical Company.

Secretary

Santiago Ortiz Vaamonde

Spanish State Attorney; PhD in Law from Complutense University, Madrid. General Secretary of the Board of Directors of Ferrovial since 2009. Former partner in Trial Law, Public Law and Regulatory Law at Cuatrecasas and Ramón y Cajal; Agent for the Kingdom of Spain before the Court of Justice of the European Communities; professor at the Diplomatic School and at the Carlos III University.

6.4. MANAGEMENT COMMITTEE

1 Íñigo Meirás CEO

Bachelor's Degree in Law and MBA from the Instituto de Empresa. He joined Ferrovial in 1992 and was Managing Director of the Autopista del Sol and Toll Roads Director at Cintra until November 2000. Between 2000 and 2007 he headed the expansion of Ferrovial Services as Managing Director, later as CEO, and in 2007 he was appointed CEO of Ferrovial Airports. He served as Group Managing Director of Ferrovial from April to October 2009, when he was appointed CEO.

* See CV on previous page

2 Jaime Aguirre de Cárcer Chief Human Resources Officer

Graduate of Law and Business Management (ICAE-ICA) Between 1990 and 2000, he held several positions of responsibility in Schweppes, S.A., including Joint General Director and Director of Human Resources. Prior to this, he was Director of Human Resources at Smithkline Beecham. He joined Ferrovial in 2000 as General Director of Human Resources

3 Alejandro de la Joya CEO of Ferrovial Agroman

Civil Engineer. He joined the company in 1991. Over the course of his career, he has worked in Spain, Morocco, Italy and Portugal, and later as Director for Poland (Budimex). In 2005, he held the post of Foreign Business Director and in 2007 was Head of International Construction. In 2008, he was appointed CEO of Ferrovial Agroman.

4 Enrique Díaz-Rato CEO of Cintra

Degrees in Civil Engineering and Economic Sciences, as well as an MBA from the EOI. He joined Ferrovial in 2001 as Managing Director of Cintra Chile. In 2004, he was appointed General Manager of 407 ETR Toll Road (Toronto, Canada) and, in April 2006, became Toll Road Director for USA, Canada, Chile and Ireland. In July 2006, he became CEO of Cintra.

5 Álvaro Echániz CEO of Ferrovial FISA (real estate division)

Bachelor's Degree in Business Studies. He joined Ferrovial with the takeover of Agromán, where he held the position of Chief Financial Officer. Between 1999 and September 2002, he was Chief Financial Officer of Cintra. Since 2007, he has been CEO of Ferrovial FISA.

6 Federico Flórez Chief Information and Innovation Officer (CIIO)

Naval Engineer; Master's Degree in Business Administration and IT Management, PAD IESE, INSEAD Advanced Management Program. Diplomas in Senior Management from Harvard, MIT and Cranfield. He has worked, companies including IBM, Alcatel and Telefónica. He is also CIO of the Bank of Spain. In April 2008, he was appointed Chief Information Officer.

7 Jorge Gil CEO of Ferrovial Airports

Degree in Business and Law from ICAE University. He joined Ferrovial in 2001 through Cintra, where he led the Department of Corporate and Business Development, working as CEO of the 407-ETR, Chicago Skyway and Indiana Toll Road highways. In 2010, he was appointed Director of Finance and Capital Markets of Ferrovial. He began his career at The Chase Manhattan Bank, where he was part of the Corporate Finance and M&A divisions. In December 2012, he was appointed CEO of Ferrovial Airports.

8 Ernesto López Mozo Chief Financial Officer

Civil engineer (Polytechnic University of Madrid) and MBA from The Wharton School of The University of Pennsylvania. In October 2009, he was appointed Chief Financial Officer of Ferrovial. Prior to joining Ferrovial, he was the CFO of Telefonía, S.A., General Manager for Finance and Management Control of Telefonía Móviles and the Control and General Resources Managing Director of Telefonía Latinoamérica. Previously, he was Deputy Chairman in Fixed Income Sales & Trading at JP Morgan. Formerly, he worked for the Treasury Department at Banco Santander. He also worked in civil works prior to obtaining his MBA degree. In October 2009 he was appointed CFO.

9 Santiago Olivares CEO of Ferrovial Services

Degree in Industrial Engineering (ICA) and an MBA from MIT. He joined Ferrovial in 2002 as the Business Development Director for the Services Division. He later became the Director of the International division. In May 2007, he was appointed CEO of Ferrovial Services.

10 Santiago Ortiz Vaamonde General Counsel

PhD in Law from Complutense University of Madrid and Spanish State Attorney. Prior to joining Ferrovial in 2008 he was a partner of the Cuatrecasas law firm. He has also worked at Ramón y Cajal and as professor at the Diplomatic School and at the Carlos III University.

11 María Teresa Pulido Director of Corporate Strategy

Bachelor's degree in Economics from Columbia University and an MBA. She has vast experience in the field of strategic consulting (McKinsey) and also in investment banking and private banking (in banks such as Citigroup, Deutsche Bank and Bankers Trust). Member of MIT's Sloan EMSAEB Board. Joined Ferrovial in April 2011, as Director of Corporate Strategy. Since July 2014, she has been a member of the Management Committee of Ferrovial.

