



# Auditor's Report on Abertis Infraestructuras, S.A.

(Together with the annual accounts and directors' report of Abertis Infraestructuras, S.A. for the year ended 31 December 2022)

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*



KPMG Auditores, S.L.  
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(Barcelona)

## **Independent Auditor's Report on the Annual Accounts**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

To the shareholders of Abertis Infraestructuras, S.A.

### **REPORT ON THE ANNUAL ACCOUNTS**

#### **Opinion**

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We have audited the annual accounts of Abertis Infraestructuras, S.A. (the "Company"), which comprise the balance sheet at 31 December 2022, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

#### **Basis for Opinion**

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We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Goodwill impairment

See note 6 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The accompanying balance sheet presents goodwill amounting to Euros 4,659 million, which arose in the framework of the merger with Abertis Participaciones, S.A.U., described in note 6.</p> <p>Management reviews these assets on an annual basis to detect any indications of impairment and performs the corresponding impairment testing to determine the recoverable amount of goodwill, when such indications exist.</p> <p>The assessment of the recoverable amount of goodwill is based on the discounting of future cash flows using budgets approved by management, as described in note 6. This assessment is a complex process that requires the Company's management to make estimates that include significant judgements and assumptions, which are aspects that lead us to consider the situation described as a key audit matter.</p>	<p>Our audit procedures included assessing the design and implementation of the relevant controls that mitigate the risks associated with the process of assessing the recoverable amount of goodwill, as well as performing tests of the operating effectiveness of the aforementioned controls.</p> <p>We also performed substantive tests based on obtaining the impairment test performed by the Company and checking the arithmetical accuracy of the calculations made, as well as assessing the reasonableness of the main assumptions considered therein, basically those relating to cash flow forecasts and discount rates.</p> <p>We also analysed the reasonableness of the projected operating assumptions (primarily traffic, tolls and operating costs), and their consistency with the business plans approved.</p> <p>We also examined the sensitivity analyses of the key assumptions, i.e. those with the most significant effect on determining the recoverable amount, performed by the Company's management.</p> <p>Additionally, we involved our internal valuation specialists in the process of assessing the assumptions and methodology used by the Company and, in particular, those related to the discount rates used and growth rates in perpetuity applied.</p>



(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

<b>Goodwill impairment</b>	
See note 6 to the annual accounts	
<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
	<p>Lastly, we checked that note 6 to the accompanying annual accounts contains the information required by the regulatory framework applicable to the assessment of the recoverable amount of these assets and, particularly, the details of the main assumptions used in the preparation of the impairment test, as well as an analysis of the sensitivity to changes in the key assumption therein.</p>

<b>Recoverable amount of investments in Group companies</b>	
See note 8 to the annual accounts	
<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The recoverable amount of investments in Group companies is determined, for those companies in which there is objective evidence of impairment, by applying valuation techniques which often require the use of judgements and estimates by management, both in the selection of the valuation method and the determination of the discount of future cash flows and in the consideration of the key assumptions used.</p> <p>Due to the uncertainty associated with the aforementioned judgements and estimates, as well as the significance of the investments held, which amount to Euros 10,891 million at 31 December 2022, this has been considered a relevant aspect of our audit.</p>	<p>Our audit procedures included assessing the design and implementation of the key controls relating to the valuation process, evaluating the existence of objective evidence of impairment identified by the Company, as well as the methodology and assumptions used to estimate the recoverable amount, contrasting the information contained in the model with the business plans of the investees in which indications of impairment exist and involving our valuation specialists to assess the reasonableness of the valuation method and the discount rate used by the Company.</p> <p>We also assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</p>



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## **Other Information: Directors' Report**

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Other information solely comprises the 2022 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not encompass the directors' report. Our responsibility for the directors' report, in accordance with the requirements of prevailing legislation regulating the audit of accounts, consists of assessing and reporting on the consistency of the directors' report with the annual accounts, based on knowledge of the entity obtained during the audit of the aforementioned annual accounts, and assessing and reporting on whether the content and presentation of the directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described in the preceding paragraph, the information contained in the directors' report is consistent with that disclosed in the annual accounts for 2022 and the content and presentation of the report are in accordance with applicable legislation.

## **Directors' and Audit, Control and Sustainability Committee's Responsibilities for the Annual Accounts**

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The Directors are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

The Audit, Control and Sustainability Committee is responsible for overseeing the preparation and presentation of the annual accounts.

## **Auditor's Responsibilities for the Audit of the Annual Accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts 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 legislation regulating the audit of accounts 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 annual accounts.



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As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 Company'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 annual accounts 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Audit, Control and Sustainability Committee of Abertis Infraestructuras, S.A. 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.

We also provide the entity's Audit, Control and Sustainability Committee with a statement that we have complied with the applicable ethical requirements, including those regarding 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 to the Audit, Control and Sustainability Committee of the entity, we determine those that were of most significance in the audit of the annual accounts of the current period and which 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.



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## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **Additional Report to the Audit, Control and Sustainability Committee \_\_\_\_\_**

The opinion expressed in this report is consistent with our additional report to the Company's Audit, Control and Sustainability Committee dated 28 February 2023.

### **Contract Period \_\_\_\_\_**

We were appointed as auditor by the shareholders at the ordinary general meeting on 21 April 2020 for a period of three years, from the year ended 31 December 2021.

KPMG Auditores, S.L.  
On the Spanish Official Register of  
Auditors ("ROAC") with No. S0702

*(Signed on original in Spanish)*

Manuel Blanco Vera  
On the Spanish Official Register of Auditors ("ROAC") with No. 17698  
28 February 2023

**ABERTIS INFRAESTRUCTURAS, S.A.**

Annual Accounts and Directors' Report  
for the year ended 31 December 2022

*Free translation from the original in Spanish. In the event  
of discrepancy, the Spanish-language version prevails.*



## CONTENTS

Balance sheet at 31 December .....	2
Statement of profit or loss .....	4
Statement of changes in equity .....	5
Statement of cash flows .....	8

### Notes to the annual accounts for 2022:

1. General information.....	10
2. Basis of presentation .....	11
3. Proposed allocation of loss.....	14
4. Accounting policies.....	15
5. Financial risk management .....	30
6. Intangible assets .....	35
7. Property, plant and equipment.....	39
8. Investments in group companies and associates.....	40
9. Non-current and current financial assets.....	59
10. Derivative financial instruments .....	59
11. Cash and cash equivalents .....	62
12. Shareholders' equity.....	62
13. Non-current and current payables .....	66
14. Long-term employee benefit obligations .....	72
15. Other provisions .....	73
16. Income tax and tax matters .....	73
17. Income and expenses.....	81
18. Contingencies, commitments and obligations .....	86
19. Related party transactions.....	87
20. Events after the reporting period.....	97
21. Other disclosures .....	97
Appendix I. Direct investments in group companies and associates .....	99
2022 directors' report .....	115

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## Abertis Infraestructuras, S.A.

Balance sheet at 31 December  
(in thousands of euros)

<b>ASSETS</b>	<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>	6	<b>4,663,580</b>	<b>5,438,431</b>
Goodwill		4,658,901	5,435,385
Computer software		4,679	3,046
<b>Property, plant and equipment</b>	7	<b>6,154</b>	<b>6,071</b>
Land and buildings		3,144	3,223
Plant and other items of property, plant and equipment		3,010	2,848
<b>Non-current investments in Group companies and associates</b>	8	<b>11,147,010</b>	<b>12,114,079</b>
Equity instruments		10,891,028	12,114,079
Loans to companies	19-c	255,982	-
<b>Non-current financial assets</b>	9	<b>379,169</b>	<b>13,929</b>
Derivative financial instruments	10	378,059	12,745
Other financial assets		1,110	1,184
<b>Deferred tax assets</b>	16-c	<b>164,370</b>	<b>162,226</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>16,360,283</b>	<b>17,734,736</b>
<b>CURRENT ASSETS</b>			
<b>Trade and other receivables</b>		<b>22,935</b>	<b>24,958</b>
Trade receivables from Group companies and associates	19-c	9,973	11,831
Sundry accounts receivable		12,881	12,914
Employee receivables		6	3
Tax receivables other than income tax receivables		75	210
<b>Current investments in Group companies and associates</b>	8/19-c	<b>161,146</b>	<b>395,410</b>
Loans to companies		159,414	328,405
Other financial assets		1,732	67,005
<b>Current financial assets</b>	9	<b>12,162</b>	<b>40,650</b>
Derivative financial instruments	10	10,509	38,797
Other financial assets		1,653	1,853
<b>Current prepayments and accrued income</b>		<b>49</b>	<b>1</b>
<b>Cash and cash equivalents</b>	11	<b>2,350,909</b>	<b>1,969,818</b>
<b>TOTAL CURRENT ASSETS</b>		<b>2,547,201</b>	<b>2,430,837</b>
<b>TOTAL ASSETS</b>		<b>18,907,484</b>	<b>20,165,573</b>

This balance sheet should be read in conjunction with the Notes included on pages 10 to 114.

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.

## Abertis Infraestructuras, S.A.

Balance sheet at 31 December  
(in thousands of euros)

<b>EQUITY AND LIABILITIES</b>	<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>EQUITY</b>			
<b>Shareholders' equity</b>	12	<b>3,012,913</b>	<b>2,690,326</b>
Share capital		2,133,063	2,734,696
Reserves		576,742	574,139
Prior years' losses		(597,518)	-
Other shareholder contributions		991,400	-
(Treasury shares)		(21,147)	(20,991)
Profit (Loss) for the year		(69,627)	(597,518)
<b>Valuation adjustments</b>		<b>82,251</b>	<b>(210,433)</b>
Hedges	10	82,251	(210,433)
<b>TOTAL EQUITY</b>		<b>3,095,164</b>	<b>2,479,893</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>Long-term provisions</b>		<b>65,443</b>	<b>61,165</b>
Other provisions	15	65,443	61,165
<b>Non-current payables</b>	13	<b>11,629,718</b>	<b>14,027,292</b>
Debt instruments and other marketable securities		9,387,278	10,017,314
Bank borrowings		2,227,798	4,009,972
Derivative financial instruments	10	14,636	-
Other financial liabilities		6	6
<b>Non-current payables to Group companies and associates</b>	19-c	<b>2,298,526</b>	<b>2,301,788</b>
<b>Deferred tax liabilities</b>	16-c	<b>341,769</b>	<b>206,658</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>14,335,456</b>	<b>16,596,903</b>
<b>CURRENT LIABILITIES</b>			
<b>Current payables</b>	13	<b>1,020,795</b>	<b>269,687</b>
Debt instruments and other marketable securities		749,721	159,892
Bank borrowings		271,074	109,795
<b>Current payables to Group companies and associates</b>	19-c	<b>429,224</b>	<b>782,664</b>
<b>Trade and other payables</b>		<b>26,845</b>	<b>36,426</b>
Sundry accounts payable		14,787	14,217
Remuneration payable		8,521	18,518
Tax payables other than income tax payables		765	747
Other payables		2,772	2,944
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,476,864</b>	<b>1,088,777</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,907,484</b>	<b>20,165,573</b>

This balance sheet should be read in conjunction with the Notes included on pages 10 to 114.

## ABERTIS INFRAESTRUCTURAS, S.A.

Statement of profit or loss for the years ended  
31 December (in thousands of euros)

<b>STATEMENT OF PROFIT OR LOSS</b>	<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>	17-a	<b>1,447,640</b>	<b>715,610</b>
Services rendered		46,930	44,465
Revenue from investments in equity instruments of Group companies and associates	19-c	1,400,710	671,145
<b>Other operating income</b>		<b>1,493</b>	<b>1,228</b>
Non-core and other current operating income		1,493	1,228
<b>Staff costs</b>	17-b	<b>(27,951)</b>	<b>(26,746)</b>
Wages, salaries and similar expenses		(17,218)	(16,496)
Employee benefit and other costs		(10,733)	(10,250)
<b>Other operating expenses</b>		<b>(33,436)</b>	<b>(26,902)</b>
Outside services		(33,258)	(26,787)
Taxes other than income tax		(178)	(115)
<b>Depreciation and amortisation charge</b>		<b>(778,725)</b>	<b>(778,676)</b>
<b>Impairment and gains or losses on disposals of non-current assets</b>	8/17-c	<b>(424,662)</b>	<b>(216,527)</b>
Impairment and other losses		(445,697)	(226,049)
Gains or losses on disposals and other		21,035	9,522
<b>PROFIT (LOSS) FROM OPERATIONS</b>		<b>184,359</b>	<b>(332,013)</b>
<b>Finance income</b>	17-d	<b>36,772</b>	<b>18,145</b>
From marketable securities and other financial instruments		36,772	18,145
Group companies and associates	19-c	4,387	1,468
Third parties		32,385	16,677
<b>Finance costs</b>	17-d	<b>(354,819)</b>	<b>(348,606)</b>
On debts to Group companies and associates	19-c	(76,329)	(73,199)
On debts to third parties		(278,490)	(275,407)
<b>Changes in fair value of financial instruments</b>	17-d	<b>(17,549)</b>	<b>25,261</b>
Held-for-trading financial assets/liabilities and other		(17,549)	25,261
<b>Exchange differences</b>	17-d	<b>19,550</b>	<b>(34,402)</b>
<b>NET FINANCE INCOME (EXPENSE)</b>		<b>(316,046)</b>	<b>(339,602)</b>
<b>PROFIT (LOSS) BEFORE TAX</b>		<b>(131,687)</b>	<b>(671,615)</b>
Income tax	16-b	<b>62,060</b>	<b>74,097</b>
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>(69,627)</b>	<b>(597,518)</b>

These statements of profit or loss should be read in conjunction with the Notes included on pages 10 to 114.

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

Statements of changes in equity for the years ended 31 December  
(in thousands of euros)

### **A) STATEMENT OF RECOGNISED INCOME AND EXPENSE**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>Profit (Loss) per statement of profit or loss</b>		<b>(69,627)</b>	<b>(597,518)</b>
<b>Income and expense recognised directly in equity</b>		<b>282,205</b>	<b>-</b>
Arising from cash flow hedges	10	376,325	-
Arising from actuarial gains and losses and other	14-b	(52)	-
Tax effect		(94,068)	-
<b>Transfers to profit or loss</b>		<b>10,440</b>	<b>13,902</b>
Arising from cash flow hedges	10	15,667	18,537
Tax effect		(5,227)	(4,635)
<b>TOTAL RECOGNISED INCOME AND EXPENSE</b>		<b>223,018</b>	<b>(583,616)</b>

These statements of recognised income and expense should be read in conjunction with the Notes included on pages 10 to 114.

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## ABERTIS INFRAESTRUCTURAS, S.A.

Statements of changes in equity for the years ended 31 December  
(in thousands of euros)

### B) STATEMENT OF CHANGES IN TOTAL EQUITY

	Registered share capital	Reserves	Prior years' result	Other shareholder contributions	(Treasury shares)	Profit (Loss) for the year	Valuation adjustments	TOTAL
<b>2021 CLOSING BALANCE</b>	<b>2,734,696</b>	<b>574,139</b>	-	-	<b>(20,991)</b>	<b>(597,518)</b>	<b>(210,433)</b>	<b>2,479,893</b>
Total recognised income and expense	-	(39)	-	-	-	(69,627)	292,684	223,018
Distribution of prior year's result	-	-	(597,518)	-	-	597,518	-	-
Transactions with shareholders:								
- Capital reduction (Note 12-a)	(601,633)	2,642	-	-	-	-	-	(598,991)
- Other contributions (Note 12-c)	-	-	-	991,400	-	-	-	991,400
- Treasury share transactions (net)	-	-	-	-	(156)	-	-	(156)
<b>2022 CLOSING BALANCE</b>	<b>2,133,063</b>	<b>576,742</b>	<b>(597,518)</b>	<b>991,400</b>	<b>(21,147)</b>	<b>(69,627)</b>	<b>82,251</b>	<b>3,095,164</b>

This statement of changes in equity should be read in conjunction with the Notes included on pages 10 to 114.

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.

## ABERTIS INFRAESTRUCTURAS, S.A.

Statements of changes in equity for the years ended 31 December  
(in thousands of euros)

### B) STATEMENT OF CHANGES IN TOTAL EQUITY

	Registered share capital	Reserves	(Treasury shares)	Profit (Loss) for the year	Valuation adjustments	TOTAL
<b>2020 CLOSING BALANCE</b>	<b>2,734,696</b>	<b>2,259,046</b>	<b>(12,783)</b>	<b>(1,084,328)</b>	<b>(224,335)</b>	<b>3,672,296</b>
Total recognised income and expense	-	-	-	(597,518)	13,902	(583,616)
Distribution of prior year's result	-	(1,084,328)	-	1,084,328	-	-
Transactions with shareholders:						
- Distribution of ordinary dividend <sup>1</sup>	-	(600,579)	-	-	-	(600,579)
- Treasury share transactions (net)	-	-	(8,208)	-	-	(8,208)
<b>2021 CLOSING BALANCE</b>	<b>2,734,696</b>	<b>574,139</b>	<b>(20,991)</b>	<b>(597,518)</b>	<b>(210,433)</b>	<b>2,479,893</b>

<sup>(1)</sup> Net dividend corresponding to treasury shares, EUR 1,054 thousand.

This statement of changes in equity should be read in conjunction with the Notes included on pages 10 to 114.

**ABERTIS INFRAESTRUCTURAS, S.A.**

Statement of cash flows for the years ended  
31 December  
(in thousands of euros)

	Notes	2022	2021
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>1,334,338</b>	<b>348,666</b>
Profit (Loss) for the year before tax		(131,687)	(671,615)
Adjustments for:			
Depreciation and amortisation charge	6/7	778,725	778,676
Impairment losses	17-c	445,697	226,049
Changes in provisions and allowances		-	-
Net gains or losses on derecognition and disposal of non-current assets	17-c 17-d	(21,035)	(9,522)
Finance income	17-d	(36,772)	(18,145)
Finance costs	17-d	354,819	348,606
Exchange differences	17-d	(19,550)	34,402
Changes in fair value of financial instruments		17,549	(25,261)
Uncollected dividend income		-	(65,470)
Changes in working capital:			
Trade and other receivables		2,023	3,589
Other current assets		(48)	5
Trade and other payables		(22,679)	(13,075)
Other non-current assets and liabilities		-	-
Other cash flows from operating activities:			
Interest paid		(359,835)	(359,394)
Interest received		9,642	18,081
Income tax recovered (paid)		229,247	109,848
Other amounts paid (received)		88,242	(8,108)
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>635,376</b>	<b>509,570</b>
Payments due to investment			
Group companies and associates	8	(284,900)	(31,324)
Intangible assets	6	(3,015)	(1,641)
Property, plant and equipment	7	(942)	(738)
Other financial assets		-	(13)
Other assets		-	-
Proceeds from disposal			
Group companies and associates	8	893,768	470,872
Property, plant and equipment	7	-	-
Other financial assets		30,465	72,414

These statements of cash flows should be read in conjunction with the Notes included on pages 10 to 114.



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## ABERTIS INFRAESTRUCTURAS, S.A.

### Statement of cash flows for the years ended 31 December (in thousands of euros)

	Notes	2022	2021
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>(1,588,623)</b>	<b>220,242</b>
Proceeds and payments relating to equity instruments:			
Purchase of treasury shares	12-a	(156)	(8,208)
Disposal of treasury shares	12-a	(598,991)	-
Proceeds and payments relating to financial liability instruments:			
Issue	13	-	-
Debt instruments and other marketable securities	13	-	539,927
Bank borrowings	19-c	20,220	1,147,612
Payables to Group companies and associates			
Repayment and redemption of	13	-	-
Debt instruments and other marketable securities	13	(630,000)	(755,046)
Bank borrowings	19-c	(373,660)	(14,397)
Payables to Group companies and associates		(6,036)	(89,067)
Other payables	12-b		
Dividends and returns on other equity instruments paid:			
Dividends		-	(600,579)
<b>Effect of foreign exchange rate changes</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>381,091</b>	<b>1,078,478</b>
Cash and cash equivalents at beginning of year	11	1,969,818	891,340
Cash and cash equivalents at end of year	11	2,350,909	1,969,818

These statements of cash flows should be read in conjunction with the Notes included on pages 10 to 114.

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## **NOTES TO THE ANNUAL ACCOUNTS FOR 2022**

### **1. GENERAL INFORMATION**

Abertis Infraestructuras, S.A. ("**Abertis**" or "the Company") was incorporated in Barcelona on 24 February 1967. Its registered office is at Paseo de la Castellana, 89, floor 9 (Madrid).

The merger was effective for accounting purposes from 1 January 2019. The company object of **Abertis** is the construction, upkeep and operation (or simply the upkeep and operation) of toll roads under concession arrangements; the management of road concessions in Spain and abroad; the construction of road infrastructure; the operation of service areas; ancillary activities for the construction, upkeep and operation of toll roads and service stations; and any other activity related to transport and communications and/or telecommunications infrastructure for the mobility and transport of people, goods and information, with such authorisation as might be required there for. It also includes the preparation of studies, reports, projects and contracts, as well as the supervision and management of, and the provision of advisory services in relation to, the aforementioned activities.

The Company may carry on its company object, especially its concession activity, directly or indirectly through its ownership interests in other companies, subject, in this respect, to the legal provisions in force at any given time.

**Abertis** is the head of a group (see Note 8) engaging in the management of mobility and communications infrastructure, and currently operates in the toll road concessions sector.

**Abertis** is obliged under current legislation to prepare consolidated annual accounts separately. The consolidated annual accounts of the Abertis Group for 2022 were formally prepared by its directors at the Board of Directors Meeting held on 28 February 2023.

Also, the consolidated annual accounts for 2021 were approved by the shareholders at the Annual General Meeting of Abertis Infraestructuras, S.A. held on 04 April 2022 and were filed at the Madrid Mercantile Registry.

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Also, since 29 October 2018 the Company and the other Group companies have formed part of the Atlantia Group, the parent of which is Atlantia S.p.A. (with registered office at Piazza San Silvestro, 8, Rome, Italy), which was delisted from the Italian Stock Exchange on 9 December 2022, and which, in turn, forms part of the group the parent of which is Edizione S.r.l. (with registered office at Piazza del Duomo, 19, Treviso, Italy).

The main aggregates in those consolidated annual accounts of Abertis Infraestructuras, S.A. and Subsidiaries for 2022, prepared in accordance with Final Provision Eleven of Law 62/2003, of 30 December, applying International Financial Reporting Standards as adopted by European Union Regulations, are as follows:

	2022
Total assets	44,383,205
Equity (attributable to the Parent)	7,054,615
Equity (attributable to non-controlling interests)	2,905,366
Consolidated operating income	5,101,816
Result for the year attributable to the Parent	207,009
Result for the year attributable to non-controlling interests	(2,932)

The figures contained in all the annual accounts forming part of the annual accounts (balance sheet, statement of profit or loss, statement of changes in equity, statement of cash flows) and in the notes to the annual accounts are expressed in thousands of euros (the euro is the Company's presentation and functional currency), unless otherwise indicated.

## **2. BASIS OF PRESENTATION**

### **a) Regulatory financial reporting framework applicable to the Company**

The accompanying annual accounts were formally prepared by the directors in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

- The Spanish Commercial Code, the Spanish Limited Liability Companies Law, the Law on structural changes to companies formed under the Spanish Commercial Code and all other Spanish corporate law.

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- The Spanish National Chart of Accounts approved by Royal Decree 1514/2007 and its industry adaptations, Royal Decree 1159/2010, of 17 September, Royal Decree 602/2016, of 2 December, and Royal Decree 1/2021, of 12 January, making certain amendments to the Spanish National Chart of Accounts, together with the rules approved by the Spanish National Securities Market Commission.
- The mandatory rules approved by the Spanish Accounting and Audit Institute (ICAC) in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation, the Spanish Securities Market Law and the rules issued by the Spanish National Securities Market Commission.
- All other applicable Spanish accounting legislation.

## **b) Fair presentation**

These annual accounts, which were prepared on the basis of the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein. They were prepared by the Company's directors in order to present fairly its equity and financial position, the results of its operations, the changes in its equity and its cash flows in 2020, in accordance with the aforementioned legislation in force.

The Company's annual accounts will be submitted for approval at the Annual General Meeting by the legally established deadline. The Company's directors consider that these annual accounts will be approved without any changes.

The Company's annual accounts for the year ended 31 December 2021 were approved by the shareholders at the Annual General Meeting held on 4 April 2022.

## **c) Non-obligatory accounting principles applied**

No non-obligatory accounting principles were applied. The directors formally prepared these annual accounts taking into account all the obligatory accounting principles and standards with a significant effect hereon. All obligatory accounting principles were applied.

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#### **d) Key issues in relation to the measurement and estimation of uncertainty**

In preparing these annual accounts, the Company's directors were required to make certain accounting estimates and to consider certain factors on the basis of which to make judgements. These estimates and judgements, which are assessed on an ongoing basis, are based on historical experience and other factors including expectations regarding future events that are considered to be reasonable in the circumstances.

The principal estimates and judgements made in preparing the annual accounts related to:

- The useful lives of intangible assets and property, plant and equipment (see Notes 4.1, 4.2, 6 and 7).
- Any impairment of intangible assets and property, plant and equipment (see Notes 4.1, 4.2, 4.3, 6 and 7).
- The recoverable amount of equity investments in Group companies and associates and of the loans granted to them (see Notes 4.6 and 8).
- The fair value of derivative and other financial instruments (see Notes 4.7 and 10).
- The estimate of the income tax expense, the method used to recognise deferred taxes and the recoverable amount of the deferred tax assets (see Notes 4.10 and 16).
- The evaluation of lawsuits, provisions, obligations and contingent assets and liabilities at year-end (see Note 4.12).

In making the principal estimates and judgements indicated above, the directors took into account both the continuing effects of the Covid-related health crisis in 2022, the impacts on the economy of the current crisis in Ukraine and the uncertainties that the aforementioned circumstance give rise to in making them, considering, where necessary, several future sensitised scenarios.

Although the estimates used were based on the best information available at the date of authorisation for issue of these annual accounts, any change in estimates in the future would be applied prospectively from that time, and the effect of the change in the estimates would be recognised in the statement of profit or loss for the year in question.

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#### **e) Comparative information**

For comparison purposes, the figures in the annual accounts for the prior year are presented alongside the figures for 2022 for each item in the balance sheet, statement of profit or loss, statement of changes in equity and statement of cash flows.

#### **f) Changes in accounting policies**

In 2022 there were no significant changes in accounting policies with respect to those applied in 2021.

#### **g) Correction of errors**

For comparison purposes, the figures in the annual accounts for the prior year are presented alongside the figures for 2022 for each item in the balance sheet, statement of profit or loss, statement of changes in equity and statement of cash flows.

#### **h) Grouping of items**

Certain items in the balance sheet, statement of profit or loss, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the annual accounts.

### **3. PROPOSED ALLOCATION OF LOSS**

The proposed allocation of the loss for 2022 that the Company's directors will submit for approval by the shareholders at the Annual General Meeting is as follows:

<b>Basis of allocation (Loss)</b>	<b>(69,627)</b>
Application:	
Prior years' losses	(69,627)
	<b>(69,627)</b>

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The Board of Directors will also propose to shareholders at the Annual General Shareholders' Meeting scheduled for 28 March 2023 to repay EUR 601,633 thousand of contributions to shareholders through a reduction of Abertis Infraestructuras, S.A.'s capital by decreasing the nominal value of shares from EUR 2.34 to EUR 1.68. This Board of Directors resolution will be submitted for approval by the shareholders at the Annual General Meeting of **Abertis**.

At 31 December 2022, no interim dividend had been paid out of the profit for 2022.

If on a dividend distribution date **Abertis** were to hold shares that did not carry dividend rights, the amount corresponding to those shares would be transferred to voluntary reserves.

#### **4. ACCOUNTING POLICIES**

The principal accounting policies used by the Company in preparing the annual accounts for 2022 and 2021, in accordance with the regulatory financial reporting framework applicable to the Company described in Note 2-a, were as follows:

##### **4.1 Intangible assets**

As a general rule, intangible assets are stated at acquisition or production cost less accumulated amortisation and any impairment losses, and their useful life is evaluated on the basis of prudent estimates.

The carrying amount of intangible assets is reviewed for possible impairment when certain events or changes indicate that their carrying amount may not be recoverable, as described in Note 4.3.

##### a) Goodwill

Goodwill represents the excess of the acquisition cost of a business combination, on the acquisition date, over the fair or market value of the identifiable net assets acquired in the transaction. Consequently, goodwill is only recognised when it has been acquired for consideration and corresponds to future economic benefits from assets that are not capable of being individually identified and separately recognised (see Note 6).

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After initial recognition, goodwill is measured at cost, less any accumulated amortisation and any accumulated impairment losses recognised. Pursuant to the applicable legislation, goodwill is amortised on a straight-line basis over ten years.

Also, at least once a year it is assessed whether there is any indication that the related cash-generating units might have become impaired. If any such indication exists, the cash-generating units are tested for impairment using the methodology described below and, where appropriate, are written down.

An impairment loss recognised for goodwill must not be reversed in a subsequent period.

b) Computer software

Computer software relates mainly to the amounts paid for title to or the right to use computer programs, only when the software is expected to be used over several years.

It is stated at acquisition cost and is amortised on a straight-line basis over its useful life (between three and five years).

Staff costs and other expenses directly attributable to intangible assets are capitalised as part of the acquisition cost until the assets are ready for their intended use.

Computer software maintenance costs are charged to the statement of profit or loss for the year in which they are incurred.

## **4.2 Property, plant and equipment**

Property, plant and equipment are recognised at acquisition or production cost less the related accumulated depreciation and any impairment losses recognised, as described in Note 4.3.

Staff costs and other expenses directly attributable to property, plant and equipment are capitalised as part of the acquisition cost until the assets are ready for their intended use.



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The costs of renewal, expansion or improvement of items of property, plant and equipment are capitalised to the asset only when this leads to increased capacity or productivity or to a lengthening of the useful lives of the property, plant and equipment and provided that it is possible to ascertain or estimate the carrying amount of the items that are derecognised because they have been replaced.

The costs of major repairs are capitalised and depreciated over the estimated useful life thereof, whereas recurring upkeep and maintenance costs are charged to the statement of profit or loss for the year in which they are incurred.

Depreciation of property, plant and equipment, except for land which is not depreciated, is calculated systematically using the straight-line method over the estimated useful life of the respective assets, based on the actual decline in value caused by their use and by wear and tear.

The depreciation rates used to calculate the depreciation of the various items of property, plant and equipment are as follows:

	<b>Depreciation rate</b>
Buildings and other structures	2-8 %
Plant and other items of property, plant and equipment	5-30 %

When the carrying amount of an asset exceeds its estimated recoverable amount, its carrying amount is reduced immediately to its recoverable amount, and the impact is recognised in the statement of profit or loss for the year (see Note 4.3).

#### **4.3 Impairment losses on non-financial assets**

At each reporting date the Company assesses whether there is any indication that any of the assets may have become impaired. If any such indication exists, the Company estimates the recoverable amount of the asset, which is the higher of fair value less costs of disposal and value in use.

In assessing the recoverable amount of an asset, the estimated future cash inflows are discounted to their present value using a discount rate that reflects the long-term time value of money and the risks specific to the asset and, where applicable, any costs of disposal.

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Where the asset does not generate cash flows that are independent from other assets (the case of goodwill), the Company estimates the recoverable amount of the cash-generating unit (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets) to which the asset belongs.

If a cash-generating unit becomes impaired, the carrying amount of any goodwill assigned to it is written down first, followed by that of the other assets in proportion to each asset's carrying amount with respect to the total carrying amount of the cash-generating unit.

Impairment losses (carrying amount of the asset higher than its recoverable amount) are recognised in the statement of profit or loss for the year.

With the exception of goodwill, the impairment losses on which are irreversible, at each reporting date, if the Company has recognised impairment losses on assets in prior years, it is assessed whether there are indications that such losses have ceased to exist or have been reduced and, where appropriate, the recoverable amount of the impaired asset is estimated.

An impairment loss recognised in prior periods is only reversed if there has been a change in the estimates used to determine the recoverable amount of an asset since the most recent impairment loss was recognised. If an impairment loss is reversed, the carrying amount of the related asset is increased to its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the statement of profit or loss for the year.

#### **4.4 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases:

##### a) Operating leases

Expenses resulting from operating leases are charged to income in the year in which they are incurred.

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A payment made on entering into or acquiring a leasehold that is accounted for as an operating lease represents prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

At the reporting date, the main operating leases related to the properties at which the Company carries on its activities, and the Company had not contracted with tenants for significant minimum lease payments.

#### b) Finance leases

In finance leases in which the Company acts as the lessee, the cost of the leased assets is presented in the balance sheet, based on the nature of the leased asset, and, simultaneously, a liability is recognised for the same amount. This amount will be the lower of the fair value of the leased asset and the present value, at the inception of the lease, of the agreed minimum lease payments, including the price of the purchase option when it is reasonably certain that it will be exercised. The minimum lease payments do not include contingent rent, costs for services and taxes to be paid by and reimbursed to the lessor. The total finance charges arising under the lease are allocated to the statement of profit or loss for the year in which they are incurred using the effective interest method. Contingent rent is recognised as an expense for the period in which it is incurred.

Leased assets are depreciated, based on their nature, using similar criteria to those applied to the items of property, plant and equipment that are owned.

### **4.5 Cash and cash equivalents**

For the purposes of determining the statement of cash flows, "Cash and Cash Equivalents" includes the Company's cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

### **4.6 Financial assets**

As a general rule, financial assets are initially recognised at the fair value of the consideration given, plus any directly attributable transaction costs.

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In the case of equity investments in Group companies affording control over the subsidiary, the fees paid to tax advisers and other professionals relating to the acquisition of the investment are recognised directly in profit or loss.

The financial assets held by the Company are classified as:

a) Loans and receivables

Loans and receivables are financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Company's business, or financial assets which, not having commercial substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market.

"Loans and Receivables" relates mainly to:

- Loans granted to Group companies, associates and related parties, which are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.
- Deposits and guarantees, which are recognised at their nominal value, which does not differ significantly from their fair value.
- Trade receivables, which are measured at their face value, which approximates their fair value on initial recognition. This value is reduced, where necessary, by the corresponding allowance for doubtful debts (impairment loss on the asset) whenever there is objective evidence that the amount owed will only be partially collected or will not be collected at all, and this amount is charged to the statement of profit or loss for the year.

At each reporting date the necessary impairment losses are recognised if there is objective evidence that not all the amounts receivable will be collected.

b) Equity investments in Group companies, associates and jointly controlled entities

For these purposes, Group companies are deemed to be those related to the Company as a result of a relationship of control and associates are companies over which the Company exercises significant influence. Jointly controlled entities include companies over which, by virtue of an agreement, the Company exercises joint control with one or more other venturers.

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They are measured at cost less any accumulated impairment losses and are adjusted, if they have been designated a hedge of net investment in a foreign operation, by the portion of the hedge that meets the criteria to be considered effective. However, where the Company holds an investment in the investee prior to its classification as a Group company, jointly controlled entity or associate, the cost of the investment is considered to be its carrying amount prior to its classification as such. Any previous valuation adjustments recognised directly in equity are retained in equity until the related investments are derecognised. Moreover, the hierarchy level is Level 3.

If there is objective evidence that the carrying amount of an investment is not recoverable, an impairment loss is recognised for the difference between its carrying amount and its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use, measured mainly as the amount expected to be received in the form of dividends from the investee. Impairment losses and any reversals of impairment losses are recognised in the statement of profit or loss for the year in which they arise.

The Company derecognises a financial asset when the rights to the cash flows from the financial asset expire or have been transferred and substantially all the risks and rewards of ownership of the financial asset have also been transferred.

The assets designated as hedged items are subject to hedge accounting measurement requirements (see Note 4.7).

#### **4.7 Financial derivatives and hedge accounting**

The Company uses derivative financial instruments to manage its financial risk arising mainly from fluctuations in interest rates and exchange rates (see Note 5). These derivative financial instruments, whether classified as hedges or not, are recognised at fair value (both on initial recognition and on subsequent measurement) using valuations taken from an analysis of discounted cash flows using assumptions based mainly on the market conditions at the reporting date for unquoted derivative instruments.

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At the inception of the hedge, the Company documents the relationship between the hedging instruments and the hedged items, as well as its risk management objectives and the strategy for undertaking various hedges. The Company also documents how it will assess, both initially and on an ongoing basis, whether the derivatives used in the hedges are highly effective for offsetting changes in the fair value or cash flows attributable to the hedged items.

The fair value of the derivative financial instruments is disclosed in Note 10.

The criteria used to account for these instruments are as follows:

a) Fair value hedges

Changes in the fair value of designated derivatives that meet the conditions to be classified as fair value hedges of assets or liabilities are recognised in the statement of profit or loss for the year under the same heading as the change in the fair value of the hedged asset or liability attributable to the hedged risk. These relate primarily to the derivative financial instruments arranged by the Company to convert fixed-rate borrowings into floating-rate borrowings.

b) Cash flow hedges

The effective portion of the gain or loss on the measurement of derivatives classified as cash flow hedges, net of the related tax effect, is recognised in equity under "Hedges" until the underlying matures or is sold or it is no longer probable that the transaction will take place, at which point the accumulated gains or losses recognised in equity are transferred to the statement of profit or loss for the year.

Any ineffective portion of the gain or loss on the remeasurement of derivatives is recognised directly in the statement of profit or loss for the year under "Changes in Fair Value of Financial Instruments".

These hedges relate mainly to derivative financial instruments arranged by the Company to convert floating-rate borrowings into fixed-rate borrowings.

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c) Hedge of a net investment in a currency other than the euro

In order to reduce foreign currency risk, the Company may finance certain of its foreign investments in the same functional currency as that in which they are denominated. This is done by obtaining financing in the corresponding currency or by entering into cross currency interest rate swaps.

Hedges of net investments in foreign operations relating to subsidiaries, jointly controlled entities and associates are treated as fair value hedges of the foreign currency component.

Changes in the fair value of designated derivatives that meet the conditions to be classified as hedges of net investments in currencies other than the euro are recognised in the statement of profit or loss for the year under "Changes in Fair Value of Financial Instruments", together with any change in the fair value of the hedged investment in the subsidiary, jointly controlled entity or associate attributable to the hedged risk.

d) Derivatives that do not qualify for hedge accounting as financial or accounting hedges

If a derivative does not qualify for hedge accounting, any gains or losses arising from changes in the fair value of the derivative are recognised directly in the statement of profit or loss for the year.

e) Fair value and fair value measurement techniques

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Classification of derivative financial instruments as current or non-current items in the balance sheet depends on whether at year-end the hedging relationship expires at less than or more than one year.

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Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the year.

At 31 December 2022 (as in 2021), the Company had designated certain derivative financial instruments as financial or accounting hedges. In the case of the effective portion of cash flow hedges, changes in fair value were recognised in equity (net of the related tax effect), and in the case of the other hedges, such changes were recognised in the statement of profit or loss.

#### **4.8 Equity**

The costs relating to the issue of new shares or options are recognised directly in equity as a reduction of reserves.

If treasury shares are acquired, they are recognised under "Treasury Shares", are deducted from equity and are measured at their acquisition cost (including any directly attributable incremental costs) without recognising any valuation adjustment.

When these shares are sold or reissued, any amount received is taken, net of directly attributable incremental transaction costs and of the related income tax effect, to equity.

#### **4.9 Financial liabilities**

This category includes trade and non-trade payables. These payables are classified as current liabilities unless the Company has the unconditional right to defer repayment of the debt for at least 12 months from the reporting date.

Trade payables maturing within 12 months where there is no contractual interest rate are stated, on both initial recognition and subsequent measurement, at face value when the effect of not discounting the cash flows is not material.



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Borrowings are recognised initially at fair value, including the costs incurred in obtaining them. In subsequent periods, they are measured at amortised cost, i.e., any difference between the funds obtained (net of the costs required to obtain them) and the repayment value, if any and if material, is recognised in profit or loss over the term to maturity of the debt using the effective interest rate.

If existing debts are renegotiated, it is considered that the terms of the financial liability are not substantially different when the lender in the new loan is the same as that which granted the initial loan, the characteristics of the financial liability are not significantly different from the initial liability and the present value of the cash flows, including any fees paid net of any fees received, is not more than 10% different from the discounted present value of the remaining cash flows of the original financial liability calculated using that same method.

The Company derecognises financial liabilities when the obligations giving rise to them cease to exist.

#### **4.10 Income tax**

The income tax expense (tax benefit) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

Both the current and deferred tax expense (tax benefit) are recognised in profit or loss. However, the tax effect relating to items recognised directly in equity is also recognised in equity.

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

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Deferred taxes are calculated using the balance sheet liability method based on the temporary differences that arise between the tax bases of the assets and liabilities and their carrying amounts.

The recoverable amount of deferred tax assets is assessed when they arise, and at the end of each reporting period, based on the company's earnings performance projected in its business plan and in that of the tax group to which the company belongs.

The Company files consolidated income tax returns, forming part of the consolidated tax group the parent of which is Abertis HoldCo, S.A. In this connection, taking into consideration the private legal nature of the consolidation agreement, the companies included in the tax group recognise the related income tax refundable or payable for the year as accounts receivable from or payable to, respectively, Abertis HoldCo, S.A., as the parent of the tax group.

The income tax expense is determined by taking into account, in addition to the aforementioned parameters to be considered for the purposes of individual taxation, and the ICAC Resolution of 9 February 2016 establishing the rules for the recognition, measurement and preparation of annual accounts to account for income tax, the following items:

- The permanent and temporary differences brought about by the elimination of results arising from the determination of the consolidated taxable profit or tax loss.
- The tax credits and tax relief of each company in the consolidated tax group; for these purposes, the tax credits or tax relief are allocated to the company that performs the activity or obtains the income required to qualify for the tax credit or tax relief.
- The portion of the tax losses reported by certain companies in the tax group that has been offset by the other companies in that group, as indicated above, gives rise to an account receivable from the parent of the tax group. The portion of the tax losses that has not been offset by other companies in the tax group is recognised by the company that incurred them as a deferred tax asset, as indicated above.

#### **4.11 Employee benefits**

Under the corresponding collective agreements, the Company has the following obligations to employees:

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a) Post-employment obligations

- Relating to defined contribution employee benefit instruments (occupational pension plans and group insurance policies).

In relation to the defined contribution employee benefit instruments, the Company makes fixed contributions to a separate entity and does not have any legal or constructive obligation to pay further contributions if the entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The annual expense recognised is the contribution corresponding to the year.

b) Other long-term benefits

The Company has obligations to certain employees in relation to a multi-year incentive plan tied to the degree of achievement of certain business and social responsibility objectives. The cost of the plan is charged to the statement of profit or loss as staff costs on an accrual basis based on the probability that the objectives established will be fulfilled.

c) Termination benefits

The Company recognises these benefits when it is demonstrably committed to terminate serving employees.

#### **4.12 Provisions and contingent liabilities**

Provisions are recognised when the Company has a present obligation, whether legal, contractual or constructive, as a result of past events with respect to which it is probable that an outflow of resources will be required to settle the obligation and the amount thereof can be estimated reliably.

Provisions are measured at the present value of the disbursements expected to be required to settle the obligation. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis.

Provisions for obligations maturing within one year for which the effect of discounting is not material are not discounted.

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Where some of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised as a separate asset, provided that it is virtually certain that reimbursement will be received.

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Contingent liabilities are not recognised, but rather are disclosed (see Note 18).

#### **4.13 Classification of financial assets and liabilities as current or non-current items**

In the balance sheet, financial assets and liabilities maturing within no more than 12 months from the reporting date are classified as current items and those maturing within more than 12 months are classified as non-current items.

#### **4.14 Revenue and expense recognition**

Revenue and expenses are recognised on an accrual basis, i.e., when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods sold have been transferred to the buyer, and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the reporting date, provided the outcome of the transaction can be estimated reliably.

Interest revenue is recognised using the effective interest method.

Dividend revenue is recognised in the statement of profit or loss when the right to receive payment has been established. However, if the dividends are paid out of profit earned unequivocally prior to the date of acquisition, they are not recognised as revenue, but rather the carrying amount of the related investment is reduced.

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Pursuant to Ruling 2 of ICAC Official Gazette (BOICAC) no. 79, since the Company's object relates to that of a holding company, the dividend income it receives from the Group's investees and associates is recognised under "Revenue".

The Company centralises a portion of the financing transactions of the Group of which it is the parent and, therefore, the finance income associated with loans granted to the other investees is considered to be a component of the financial profit or loss so that it presents fairly the Company's operations.

#### **4.15 Transactions in currencies other than the euro**

Transactions in a currency other than the euro are translated to the Company's functional currency (the euro) using the exchange rates prevailing at the transaction date. The exchange gains and losses arising on settlement of these transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in a currency other than the euro are recognised in profit or loss.

#### **4.16 Related party transactions**

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

For balance sheet presentation purposes, Group companies are considered to be both companies in the Group of which **Abertis** is the Parent and companies controlled directly or indirectly by Edizione S.r.l. (see Note 1), associates are considered to be the associates of the companies controlled by Edizione S.r.l. and, lastly, related companies are considered to be companies that have significant influence over Abertis HoldCo, S.A. (the Company's majority shareholder) and over Edizione S.r.l. (see Note 12-a).

#### **4.17 Activities affecting the environment**

Each year, payments made in order to comply with legal environmental requirements are either recognised as an expense or as an investment, depending on their nature. The amounts capitalised are amortised over the years of useful life of the related asset.

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Also, a provision for environmental contingencies and charges is recognised if there are obligations relating to the protection of the environment.

In view of the business activity carried on by the Company, it does not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in these notes to the annual accounts.

#### **4.18 Mergers between Group companies**

In mergers, spin-offs and non-monetary contributions between Group companies directly or indirectly involving the Parent of the Group or the parent of a subgroup and its subsidiary, the equity items contributed are measured at their carrying amount in the consolidated annual accounts of the ultimate Spanish parent that formally prepared consolidated annual accounts. In the event of a difference between the separate and consolidated carrying amounts, such difference would be recognised in a reserve account at the acquiree. All merger and spin-off transactions between Group companies are effective for accounting purposes from the beginning of the reporting period in which the transaction is approved, provided that this date is later than the date on which the companies had been included in the Group. Otherwise, such transactions are effective for accounting purposes from the date of their inclusion in the Group.

Also, and in accordance with the provisions of Royal Decree 1159/2010, of 17 September, in merger and spin-off transactions between companies which formed part of the same group prior to the beginning of the immediately preceding reporting period, information is not included on the effects for accounting purposes of the merger or spin-off on the comparative information.

## **5. FINANCIAL RISK MANAGEMENT**

### **5.1 Financial risk factors**

The activities of the Company and of the Group of which it is the parent are exposed to various financial risks, namely foreign currency risk, interest rate risk, credit risk, liquidity risk and inflation risk. The Company uses derivative financial instruments to hedge a portion of these risks.

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Financial risk management is controlled by the General Financial Department, subject to authorisation from the CEO of **Abertis**, in the framework of the corresponding risk policy approved by the Board of Directors.

a) Foreign currency risk

Foreign currency risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Foreign currency risk on the net assets in the Company's transactions in currencies other than the euro is managed in accordance with the policies defined, using, where appropriate, borrowings denominated in the corresponding foreign currencies and/or cross currency interest rate swaps.

The foreign currency risk hedging strategy in the Company's investments in currencies other than the euro must comply with the interest rate and foreign currency risk policy.

b) Interest rate risk

The Company's interest rate risk arises from non-current borrowings.

The borrowings issued at floating rates expose the Company to interest rate risk on its cash flows, whereas the borrowings arranged at a fixed rate expose the Company to interest rate risks in relation to fair value.

The purpose of interest rate risk management is to achieve a balance in the debt structure that makes it possible to minimise volatility in the statement of profit or loss over a multi-year time horizon.

In this connection, based on various estimates and objectives regarding the debt structure, in order to manage the interest rate risk on the cash flows, hedging transactions can be carried out through the arrangement of derivative financial instruments consisting of floating-to-fixed interest rate swaps.

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These swaps have the economic effect of converting borrowings bearing floating interest rates into borrowings bearing fixed rates, so the Company undertakes with other parties to exchange, at certain intervals, the difference between fixed interest and floating interest calculated on the basis of the main notional amounts arranged (see Note 10).

Furthermore, in order to meet the aforementioned objectives, the Company is also in a position to arrange fixed-to-floating interest rate swaps to hedge fair value interest rate risk.

c) Credit risk

Credit risk arises mainly from cash and cash equivalents, derivative financial instruments and deposits at banks and financial institutions, as well as other debts, including outstanding accounts receivable and committed transactions.

In this connection, in order to mitigate the aforementioned credit risk, the derivative transactions and spot trades are only performed with banks of proven creditworthiness acknowledged by international rating agencies. This creditworthiness, expressed by the rating categories of each entity, is reviewed periodically in order to actively manage counterparty risk.

The credit limits were not exceeded in the reporting periods.

d) Liquidity risk

The Company manages its liquidity risk prudently, which entails ensuring the availability of sufficient financing through committed credit lines and the ability to settle market positions. The General Financial Department of **Abertis** aims to maintain financing flexibility by ensuring the availability of the committed credit lines.

**Abertis** continues to take steps to maintain proactive cash flow management and ensure its liquidity.



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e) Inflation risk

The revenue of most of the toll road concessions arises from tolls tied directly to inflation. Consequently, a scenario of increased inflation would lead, a priori, to an increase in the fair value of these projects. In this connection, in relation to Royal Decree 55/2017, of 3 February, implementing Law 2/2015, of 30 March, on de-indexing of the Spanish economy, it is estimated that the aforementioned Royal Decree should not have any impact on the tolls applicable to the Spanish concessions operated by the Abertis Group, since, in general, the Royal Decree does not apply to concession arrangements already in force.

f) Climate change

**Abertis**, as a signatory of the United Nations Global Compact in 2005 that has explicitly incorporated the Agenda 2030 goals into its corporate strategy and business model, annually publishes information on its environmental, social and governance performance, disclosing the progress made implementing its 2022-2030 Sustainability Strategy designed, among other reasons, to respond to climate change risks and impacts.

**Abertis** has also been part of the Carbon Disclosure Project programme since 2010, completing the questionnaire on climate change to openly publish specific information concerning both its approach to tackling climate change and its annual performance regarding greenhouse gas emissions and progress made identifying and measuring the risks associated with climate change for all **Abertis'** investors and stakeholders to see.

In 2022, progress has been made with the project to formally identify the risks and opportunities due to climate change using a methodology aligned with the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). **Abertis** has quantified the financial impact of the most significant physical and transition risks of climate change, especially the risks of flooding and hurricanes, and the opportunities associated with the electrification of the automotive sector and use of low-carbon energy sources. The plan is to continue this work in 2023, including new climate scenarios and increasing the number of specific points analysed and expanding the detailed analysis of other physical and transition risks of climate change.

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Meanwhile, the launch of the first 2022-2024 ESG Plan has led to the roll-out of decarbonisation measures and action to drive up electric vehicle use. Work has continued to certify that the greenhouse gas emissions reduction targets in the 2022-20230 are aligned with Science Based Targets Initiative (SBTI) best practices. These targets are included in the first sustainable finance framework published by **Abertis** in 2022. These targets are in line with the Paris Agreement and involve a 50% reduction in scope 1 and 2 emissions and a 22% decrease in scope 3 emissions (from the purchase of goods and services) for every million kilometres covered in 2030 compared to the 2019 baseline.

Lastly, **Abertis** is subject to annual independent assessments by analysts expert in environmental, social and governance matters. The goals set in the organisation's sustainable finance framework have also been assessed by an independent specialist.

In this regard, the associated estimated impacts have been factored into the Company's projections based on current available information.

## **5.2 Fair value measurement**

The fair value of the financial instruments traded in active markets is based on the market prices at the reporting date.

The quoted price used for financial assets is the current bid price.

The fair value of financial instruments not traded on an active market is determined using valuation techniques. The Company employs a variety of methods and uses assumptions based on the market conditions at each reporting date, including the concept of "transfer", as a result of which credit risk is taken into account.

For non-current borrowings observable market prices are used; the fair value of interest rate swaps is calculated as the present value of estimated future cash flows and the fair value of foreign currency forward contracts is determined using the forward exchange rates quoted in the market at the closing date.

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## 6. INTANGIBLE ASSETS

The detail of "Intangible Assets" and of the changes therein is as follows:

	Goodwill	Computer software	Total
<b>At 31 December 2020</b>			
Cost	7,764,834	5,192	7,770,026
Accumulated amortisation	(1,552,966)	(2,350)	(1,555,316)
<b>Carrying amount</b>	<b>6,211,868</b>	<b>2,842</b>	<b>6,214,710</b>
<b>2021</b>			
Opening carrying amount	6,211,868	2,842	6,214,710
Additions	-	1,641	1,641
Amortisation charge	(776,483)	(1,437)	(777,920)
<b>Closing carrying amount</b>	<b>5,435,385</b>	<b>3,046</b>	<b>5,438,431</b>
<b>At 31 December 2021</b>			
Cost	7,764,834	6,833	7,771,667
Ac	(2,329,449)	(3,787)	(2,333,236)
<b>Carrying amount</b>	<b>5,435,385</b>	<b>3,046</b>	<b>5,438,431</b>
<b>2022</b>			
Opening carrying amount	5,435,385	3,046	5,438,431
Additions	-	3,015	3,015
Amortisation charge	(776,484)	(1,382)	(777,866)
<b>Closing carrying amount</b>	<b>4,658,901</b>	<b>4,679</b>	<b>4,663,580</b>
<b>At 31 December 2022</b>			
Cost	7,764,834	9,848	7,774,682
Accumulated amortisation	(3,105,933)	(5,169)	(3,111,102)
<b>Carrying amount</b>	<b>4,658,901</b>	<b>4,679</b>	<b>4,663,580</b>

### a) Goodwill

The merger of **Abertis** with Abertis Participaciones, S.A.U. in 2019 gave rise to goodwill amounting to EUR 7,765 million. The related amortisation charge, based on the straight-line amortisation of the goodwill over ten years, totalled EUR 776 million.

As described in Note 4.1-a, in addition, at least once a year the Company assesses whether there is any indication that the cash-generating units might have become impaired. If any such indication exists, the cash-generating units are tested for impairment using the methodology described below and, where appropriate, are written down.

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In this context, and in the framework of the impairment tests conducted for the purposes of the consolidated annual accounts, the Company also tested the goodwill that arose in the merger process for impairment. To do so, it considered that the most appropriate methodology corresponded to the valuation of a projected finite period of five years (2023-2027) together with the estimation of a terminal value of the Group of which it is the parent taken as a whole.

Before preparing the revenue and expense projections, the Abertis Group checked, *inter alia*, the changes in the most significant variables included in the impairment test for 2021, and the achievement of the key assumptions used in that test, against the results obtained in 2022, in order to assess any possible variances.

In this regard, in 2022 the changes in the profit or loss from operations of the Group of which the Company is the parent of have fuelled the sharp recovery in activity after the fall in activity in 2020 due to the Covid-19 pandemic (and subsequent rebound in 2021), which led to an increase in activity (ADT) of the Group of +8.2% (2021: +21.0%), thus affecting the operating projections considered in the impairment tests. This uptick in activity saw traffic flows exceed pre-pandemic levels in most countries in which the Group operates in 2022 (still slightly below in Europe).

The detail of the increase in activity (ADT) in 2022 is as follows:

Activity (ADT)	2022	2021
Spain	9.8%	29.1%
France	10.7%	19.1%
Italy	10.1%	24.2%
Brazil	3.2%	8.7%
Chile	11.5%	40.7%
Mexico	7.6%	17.4%
USA	1.4%	15.9%
Puerto Rico	-0.3%	24.7%
Argentina	18.2%	55.3%
India	12.2%	28.4%
Abertis	8.2%	21.0%

Based on the budgets and the most recent long-term projections of the Abertis Group, the preparation of the impairment test on goodwill at 31 December 2022 was based on:

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- The cash projections obtained from the projection of income and expenses for the Abertis Group as a whole for 2023-2027 prepared by management and taken into consideration by the Board of Directors, which take into account recent historical developments, and this year, the effects of the economic crisis triggered by the Covid-19 pandemic and crisis in Ukraine and subsequent recovery.
- To determine the terminal value, on the one hand, an increase of 2% (also 2% in 2021) was applied to the free operating cash flow after tax for the last projected year, i.e., 2027, and, additionally, a cash outflow was considered for investments to perpetuity equal to the amortisation charge for the aforementioned period.

In 2022, the weighted discount rate applied (WACC in euros) to the cash flow projections was 5.77%, slightly higher than in 2021 (5.17%), and was determined using the following methodology:

- i) Risk-Free Rate: the interest rate offered by long-term sovereign bonds. It is determined using current market data and estimates of equilibrium levels (using standard econometric models) in which the interest rates should be located, thus adjusting the returns that are at low rates due to the significant influence of public debt purchases carried out by central banks;
- ii) Enterprise Risk Premium (ERP): measures the additional risk that is demanded of equities over and above the return on risk-free assets. It was determined using a combination of historical approaches (ex post), backed by external publications and studies of series of past yields, and prospective approaches (ex ante), based on market publications, taking into account medium- and long-term profit expectations depending on the degree of maturity and development of each country; and
- iii) Beta Coefficient: the multiplier of the market risk premium, considered as a systemic risk. It was estimated using series of historical prices of shares of comparable companies that were publicly traded, determining the correlation between the yield of the shares of the companies and the yield of the general index of the stock exchange of the country where those shares were listed. The main underlying data used in these calculations are obtained from external public sources of independent information of acknowledged prestige.

In the case of the residual value, the WACC applied was increased by 2% (also 2% in 2021).

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In relation to the result of the impairment test on goodwill, the recoverable amount obtained (determined based on fair value as indicated above) exceeds the carrying amount of the goodwill, which will make it possible to recover the carrying amount recognised at 31 December 2022 and, therefore, there is no need to recognise any impairment losses.

Also, the most significant aspects of the sensitivity analysis are that the test withstands an increase in the discount rate of 100 basis points or an annual drop in the projected cash flows of up to 100 basis points. This discloses a reasonable buffer against possible more adverse effects in the future.

#### **b) Other disclosures**

At 31 December 2022, no significant intangible asset items were subject to ownership restrictions or had been pledged as security for liabilities.

The Company takes out all the insurance policies considered necessary to cover the possible risks to which its intangible assets are subject.

As described in Note 4.1, at year-end the Company tests its intangible assets to ascertain whether there are any indications of impairment in order to recognise any possible impairment losses.

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## 7. PROPERTY, PLANT AND EQUIPMENT

The detail of "Property, Plant and Equipment" and of the changes therein is as follows:

	Land and buildings	Plant and other items of property, plant and equipment	Total
<b>At 31 December 2020</b>			
Cost	3,464	4,577	8,041
Accumulated depreciation	(160)	(1,790)	(1,950)
<b>Carrying amount</b>	<b>3,304</b>	<b>2,787</b>	<b>6,091</b>
<b>2021</b>			
Opening carrying amount	3,304	2,787	6,091
Additions	-	738	738
Decreases	(1)	(1)	(2)
Depreciation charge	(80)	(676)	(756)
<b>Carrying amount</b>	<b>3,223</b>	<b>2,848</b>	<b>6,071</b>
<b>At 31 December 2021</b>			
Cost	3,463	5,314	8,777
Accumulated depreciation	(240)	(2,466)	(2,706)
<b>Carrying amount</b>	<b>3,223</b>	<b>2,848</b>	<b>6,071</b>
<b>2022</b>			
Opening carrying amount	3,223	2,848	6,071
Additions	-	942	942
Depreciation charge	(79)	(780)	(859)
<b>Carrying amount</b>	<b>3,143</b>	<b>3,011</b>	<b>6,154</b>
<b>At 31 December 2022</b>			
Cost	3,463	6,256	9,719
Accumulated depreciation	(319)	(3,246)	(3,565)
<b>Carrying amount</b>	<b>3,144</b>	<b>3,010</b>	<b>6,154</b>

At 31 December 2022, "Land and Buildings" included EUR 615 thousand (2021: EUR 615 thousand) relating to the cost of land and EUR 2,848 thousand (2021: EUR 2,848 thousand) relating to the cost of buildings. The accumulated depreciation relating to this heading corresponds in full to buildings.

### a) Other disclosures

In 2022 and 2021 no impairment losses on separate items of property, plant and equipment were either recognised or reversed.

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At 31 December 2022, no significant items of property, plant and equipment were subject to ownership restrictions or had been pledged as security for liabilities.

The Company takes out all the insurance policies considered necessary to cover the possible risks to which its property, plant and equipment might be subject.

## 8. INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES

The most significant information in relation to Group companies, jointly controlled entities and associates at the end of 2022 and 2021 is as follows:

	Balance at 31/12/21	Additions (Charge for the year)	Disposals (Reductions)	Balance at 31/12/22
Investments in Group companies and associates	13,135,790	36,7520	(822,812)	12,349,698
Impairment losses	(1,021,711)	(675,223)	238,264	(1,458,670)
Loans to Group companies and associates	-	255,982	-	255,982
<b>Total non-current</b>	<b>12,114,079</b>	<b>(382,521)</b>	<b>(584,548)</b>	<b>11,147,010</b>
Loans to Group companies and associates and other financial assets	395,410	121,560	(355,824)	161,146
<b>Total current</b>	<b>395,410</b>	<b>121,560</b>	<b>(355,824)</b>	<b>161,146</b>
	Balance at 31/12/20	Additions (Charge for the year)	Disposals (Reductions)	Balance at 31/12/21
Investments in Group companies and associates	13,167,578	31,324	(63,112)	13,135,790
Impairment losses	(795,662)	(475,619)	249,570	(1,021,711)
<b>Total non-current</b>	<b>12,371,916</b>	<b>(444,295)</b>	<b>186,458</b>	<b>12,114,079</b>
Loans to Group companies and associates and other financial assets	622,503	72,046	(299,139)	395,410
<b>Total current</b>	<b>622,503</b>	<b>72,046</b>	<b>(299,139)</b>	<b>395,410</b>



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The detail of the direct and indirect ownership interests in Group companies and associates, together with the carrying amounts thereof, the breakdown of their equity and of the dividends received from them is presented in the Appendix.

### **a) Equity instruments**

The main additions in 2022 relate to the following transactions:

- On 22 March and 21 July 2022 the capital of Holding d'Infraestructuras de Transport 2 (Hit 2) as increased by a total of EUR 28,000 thousand.
- On 16 September 2022, a non-refundable monetary contribution of EUR 918 thousand was made to the investee Partícipes en Brasil, S.A., without giving rise to any change in the percentage of ownership held in this investee (51%).

The disposals in 2022 were due mainly to the following:

- Reimbursements of contributions from the investee Abertis Autopistas España, S.A.U. for EUR 450,972 thousand which was recognised with a credit to the ownership interest held, since it is not a profit generated by the investee since its acquisition.
- Reimbursements of contributions from the investee Societat d'Autopistes Catalanes, S.A.U. for EUR 230,179 thousand which was recognised with a credit to the ownership interest held, since it is not a profit generated by the investee since its acquisition.
- The capital of a number of Group companies was also reduced in 2022. In accordance with the Resolution of 5 March 2019 of the Spanish Accounting and Audit Institute, the reduction in the ownership interest to be recognised equates to the percentage resulting from comparing the underlying book value of the shares, factoring in the existing unrealised gain, before the capital reduction with the underlying book value of the shares after the capital reduction. The impact on profit or loss is therefore equal to the difference between the cash received and the part of the investment that is written off the balance sheet. The capital reductions performed in 2022 are as follows:

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- On 24 November 2022, Holding d'Infraestructuras de Transport S.A.S. approved a capital reduction of EUR 80,909 thousand. In accordance with the Resolution of 5 March 2019 of the Spanish Accounting and Audit Institute, EUR 77,435 thousand has been recognised as a credit to the equity stake held in this company, and EUR 3,474 thousand to "Gains or Losses on Disposals and Other" on the consolidated statement of profit or loss (Note 17-c).
- On 19 December 2022, the Group company Infraestructuras Viarias Mexicanas, S.A. de C.V. (IVM) approved a capital reduction of EUR 50,116 thousand, EUR 42,763 thousand of which has been recognised as a credit to the equity stake held in this company, and EUR 7,353 thousand to "Gains or Losses on Disposals and Other" on the consolidated statement of profit or loss (Note 17-c).
- Reduction of the capital of Autopistas Metropolitanas de Puerto Rico, LLC (Metropistas) of EUR 18,043 thousand, EUR 11,897 thousand of which has been recognised as a credit to the equity stake held in this company, and EUR 6,146 thousand to "Gains or Losses on Disposals and Other" on the consolidated statement of profit or loss (Note 17-c).
- On 15 November 2022, the equity stakes in the investees Concesionaria Vial de los Andes, S.A. and Constructora de Infraestructura Vial, S.A.S. were fully disposed of. These disposals generated a cash inflow totalling EUR 1,442 thousand and a net gain of EUR 614 thousand recognised on the Company's 2022 statement of profit or loss (see Note 17-c). The cost of the ownership interest written off the balance sheet was EUR 9,599 thousand, plus an accumulated provision of EUR 8,771 thousand.

Lastly, in 2022 the hedge of net investments in foreign operations of Partícipes en Brasil, S.A. resulted in a EUR 7,835 thousand increase in the cost of the investment (2021: reduction of EUR 420 thousand). This change was recognised with a balancing entry in the statement of profit or loss for the year resulting from the exchange rate effect on the effective portion of the hedge, with the aforementioned impact offset by the effect of the hedges arranged. This hedge expired in 2022 (see Note 10).

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Also, the main additions in 2021 were as follows:

- On 15 July and 29 September 2021, non-refundable monetary contributions totalling EUR 17,511 thousand were made to the investee Partícipes en Brasil, S.A., without giving rise to any change in the percentage of ownership held in this investee (51%). These contributions were made to finance the ordinary activities of Partícipes en Brasil, S.A. and its investees Partícipes en Brasil II, S.L. and Arteris, S.A.
- On 10 May and 14 December 2021 the capital of Holding d'Infraestructuras de Transport 2 (Hit 2) was increased by a total of EUR 11,065 thousand.

The disposals in 2021 were due mainly to the following:

- On 4 November 2021 the equity interest in the investee Abertis Motorways UK, Ltd. was fully disposed of. This disposal generated a cash inflow totalling EUR 36,848 thousand and a net gain of EUR 9,522 thousand recognised on the Company's 2021 statement of profit or loss (see Note 17-c).
- On 23 December 2021, Holding d'Infraestructuras de Transport S.A.S. performed a capital reduction of EUR 22,000 thousand, which was recognised with a credit to the ownership interest held therein.
- Capital reduction of Autopistas Metropolitanas de Puerto Rico, LLC (Metropistas) of EUR 13,366 thousand, which has been recognised as a credit to the ownership interest held.

Lastly, in 2021 the hedge of net investments in foreign operations of Partícipes en Brasil, S.A. resulted in a EUR 420 thousand reduction in the cost of the investment (2020: reduction of EUR 39,499 thousand). This change was recognised with a balancing entry in the statement of profit or loss for the year resulting from the exchange rate effect on the effective portion of the hedge, with the aforementioned impact offset by the effect of the hedges arranged (see Note 10).

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## b) Loans to Group companies and associates

The loans to Group companies and associates (see Note 19-c) mature as follows:

	31 December 2022							Total
	Current	Non-current					Total	
	2023	2024	2025	2026	2027	Subsequent years		
Loans and other financial assets – Group companies and associates	161,146	-	-	255,982	-	-	255,982	417,128

	31 December 2021							Total
	Current	Non-current					Total	
	2022	2023	2024	2025	2026	Subsequent years		
Loans and other financial assets – Group companies and associates	395,410	-	-	-	-	-	-	395,410

The short-term loans granted to Group companies and associates are automatically renewable on the basis of the cash needs of the corresponding Group companies and associates and are arranged on an arm's length basis.

The main changes in 2022 in the short-term loans to Group companies and associates related mainly to the collection of dividends approved by the investee Societat d'Autopistes Catalanes, S.A.U. (EUR 65,470 thousand) at the end of 2021 that had not been collected at 2021 year-end, and the consolidated tax returns of the group of which Abertis HoldCo, S.A. is the head (Note 19-c).

The main changes in 2021 in the short-term loans to Group companies and associates related mainly to the collection of dividends approved by the investees Abertis Autopistas España, S.A.U. (EUR 200,000 thousand), Inversora de Infraestructuras, S.L. (EUR 92,816 thousand) and Abertis Mobility Services, S.L. (EUR 806 thousand) at the end of 2020 that had not been collected at 2020 year-end, and the consolidated tax returns of the group of which Abertis HoldCo, S.A. is the head (see Note 19-c).

The movement in 2022 in long-term loans to Group companies and associates related to the cash-pooling system established in 2022 between the Group company Abertis Internacional, S.A. and Abertis Infraestructuras, S.A., totalling EUR 255,982 thousand at the 2022 year-end.

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### **c) Impairment**

As described in Note 4.6, at year-end the Company tests the investments recognised and, where appropriate, their recoverable amounts, to ascertain whether there are any indications of impairment in order to recognise any possible impairment losses. In this connection, at each year-end the Company updates the estimates of future cash flows generated by its investments in Group companies and associates based, in turn, on the cash flow projections, prepared on the basis of the updated budgets and long-term plans, of each of the investees, the main assumptions of which relate to traffic, tolls, operating costs and investment expenditure. In this regard, the effects of the economic crisis triggered by the Covid-19 pandemic and subsequent recovery were factored in this year.

Based on the estimate of future cash flows, the recoverable amount of each investment is measured by discounting the expected cash flows for the shareholder, using a discount rate that reflects the cost of own capital based on a risk-free interest rate of the country in which the Company operates, adjusted by a risk premium for the business activity.

The main assumptions in the impairment tests performed at 31 December 2022 for the main investments held by the Company are as follows:

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2022	Investments in Group companies	Last year projected (concession term)	Cumulative annual growth (2023 - end of concession)			Discount rate (foreign currency)	
			CPI	Tolls	Activity (ADT)		Expenses
	Unae						
	Socaucat						
	Aucat	2039	2.1%	2.1%	1.5%	1.9%	6.9%
	Iberpistas/Castellana	2029	1.8%	2.4%	1.7%	4.3%	6.9%
	Avasa	2026	1.7%	3.1%	2.5%	3.2%	6.9%
	Túnel	2037	2.1%	2.1%	1.4%	3.6%	6.9%
	Spain						
	HIT						
	Sanef	2031	1.8%	1.4%	1.6%	1.4%	6.0%
	Sapn	2033	1.9%	1.2%	1.5%	1.4%	6.0%
	Bip&Go	2033	1.9%	-	-	1.4%	6.0%
	France						
	Abertis Internacional						
	Austrada A4	2026	1.3%	2.1%	1.3%	1.8%	6.4%
	Italy						
	Participes						
	Arteris subgroup	2033-47	3.2%	4.0%	3.5%	1.1%	12.1%
	Brazil						
	Invin						
	Rutas del Pacífico	2024	3.0%	3.0%	2.8%	2.2%	9.2%
	Andes	2036	2.7%	6.2%	3.2%	2.9%	9.2%
	Libertadores	2026	3.0%	3.0%	1.5%	2.4%	9.2%
	Autopista Central	2034	2.7%	2.7%	3.2%	4.5%	9.2%
	Chile						
	IVM						
	RCO	2048	2.8%	3.5%	2.6%	3.2%	9.7%
	Coviqsa	2026	3.5%	4.1%	2.6%	3.2%	9.7%
	Conipsa	2025	3.5%	4.1%	2.3%	4.0%	9.7%
	Cotesa	2046	2.9%	2.3%	2.3%	4.2%	9.7%
	Autovim	2039	2.9%	3.1%	2.1%	1.5%	9.7%
	Mexico						
	Abertis USA HoldCo						
	ERC	2070	2.0%	3.7%	0.8%	1.9%	7.3%
	USA						
	Metropistas	2061	2.0%	3.3%	1.1%	1.3%	13.7%
	Apr	2044	2.0%	1.2%	0.6%	9.4%	13.7%
	Puerto Rico						
	TTPL	2026	4.7%	4.7%	6.9%	5.0%	10.8%
	JEPL	2026	4.7%	4.9%	6.9%	5.3%	10.8%
	India						

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2021	Investments in Group companies	Last year projected (concession term)	Cumulative annual growth (2022 - end of concession)			Discount rate (foreign currency)	
			CPI	Tolls	Activity (ADT)		Expenses
	Unae/ Socaucat						
	Aucat	2039	1.8%	1.7%	1.1%	1.6%	6.8%
	Iberpistas/Castellana	2029	1.8%	1.7%	1.1%	3.1%	6.8%
	Avasa	2026	1.7%	1.6%	1.9%	3.5%	6.8%
	Túnel	2037	1.8%	1.7%	0.9%	0.1%	6.8%
	Spain						
	HIT						
	Sanef	2031	1.9%	1.1%	1.5%	1.3%	6.3%
	Sapn	2033	1.9%	0.9%	1.4%	1.3%	6.3%
	Bip&Go	2033	2.0%	-	-	1.8%	6.3%
	France						
	Abertis Internacional						
	Austrada A4	2026	1.6%	1.7%	0.6%	0.0%	7.0%
	Italy						
	Participes						
	Arteris subgroup	2033-47	3.1%	3.6%	3.7%	1.2%	11.0%
	Brazil						
	Invin						
	Rutas del Pacífico	2024	3.0%	3.2%	3.5%	3.4%	9.4%
	Elqui <sup>(1)</sup>	2022	4.5%	5.4%	0.4%	3.2%	9.4%
	Andes	2036	3.0%	6.5%	3.0%	1.3%	9.4%
	Libertadores	2026	3.0%	2.7%	2.4%	3.6%	9.4%
	Sol <sup>(1)</sup>	2022	4.5%	-	-	2.7%	9.4%
	Autopista Central	2032	3.0%	3.0%	3.2%	3.6%	9.4%
	Chile						
	IVM						
	RCO	2048	3.0%	3.5%	2.5%	2.3%	10.2%
	Coviqsa	2026	3.3%	3.4%	0.9%	5.0%	10.2%
	Conipsa	2025	3.3%	3.4%	1.2%	3.7%	10.2%
	Cotesa	2046	3.0%	3.6%	2.1%	2.6%	10.2%
	Autovim	2039	3.0%	3.1%	2.3%	1.1%	10.2%
	Mexico						
	Abertis USA HoldCo						
	ERC	2070	2.1%	3.6%	0.8%	1.7%	7.9%
	USA						
	Metropistas	2061	2.0%	3.5%	1.2%	1.1%	13.3%
	Apr	2044	2.0%	1.2%	0.5%	8.9%	13.3%
	Puerto Rico						
	TTPL	2026	4.3%	4.3%	8.3%	2.7%	10.4%
	JEPL	2026	4.5%	4.5%	6.2%	2.9%	10.4%
	India						

<sup>(1)</sup> Concessions expiring in 2022, so the accumulated growth percentages correspond to those of 2022, which, in the case of activity (ADT) and expenses, are affected by the impact of Covid-19 and subsequent recovery.

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The impairment tests conducted at 31 December 2022 primarily resulted in the recognition of impairment of EUR 486,589 thousand and EUR 171,239 thousand on the investments in the Group companies Abertis Autopistas España, S.A.U. and Partícipes en Brasil, S.A., respectively. Part of the provision set aside by Societat d'Autopistes Catalanes, S.A.U. (EUR 96,258 thousand), Inversora de Infraestructuras, S.L. (EUR 89,984 thousand) and Abertis Internacional, S.A. (EUR 37,869 thousand) has also been reversed.

Looking at the previous year, the impairment tests conducted at 31 December 2021 resulted in the recognition of impairment of EUR 208,427 thousand, EUR 151,624 thousand, EUR 115,568 thousand on the investments in the Group companies Partícipes en Brasil, S.A., Inversora de Infraestructuras, S.L. and Societat d'Autopistes Catalanes, S.A.U., respectively. The provision recognised for Abertis Autopistas España, S.A.U. (EUR 249,570 thousand) was also partially reversed.

#### Measurement of the recoverable amount of Abertis Autopistas España, S.A.

In relation to the ownership interest held in Abertis Autopistas España, S.A. and the assessment of its recoverable amount, several aspects relating to the wholly-owned investee Autopistas Concesionaria Española, S.A. (Acesa).

##### a) Autopistas, Concesionaria Española, S.A. (Acesa)

Acesa operated the administrative concession for the construction, maintenance and operation of the following stretches of toll road: a) AP-7 La Jonquera - Salou, b) AP-2 Zaragoza - Mediterráneo and c) AP-2 Molins de Rei - El Papiol. Royal Decree 457/2006 approved the Agreement between the Spanish Government and Acesa to amend certain terms of this concession.

This Agreement envisaged, inter alia, the building of an additional lane on certain stretches of the AP-7 toll road, implementing a closed-toll system and granting free transit and discounts in certain cases, as well as Acesa's waiver of its right to claim any possible indemnities as a result of the effect that the construction of second lanes on the N-II and CN-340 roads might have on traffic.



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The Agreement established that the difference in revenue resulting from the variance between actual traffic and the amount of traffic specified in the Royal Decree until the end of the concession would be added to or subtracted from the investments made in the compensation account created to restore the economic and financial feasibility that was altered by the obligations assumed by Acesa. The adjusted amount in this compensation account would be received by the concession operator at the end of the concession, once the term of the concession has expired, if the economic and financial feasibility has not been restored.

The grantor thus secured the undertaking of the concession operator to carry out extension work not included in the concession arrangement, to waive any indemnity that it might be entitled to receive as a result of parallel roads and to give certain rebates and discounts. The grantor is not, however, required to make any payment for the projects and waivers, although it is required to assume a risk relating to the possibility that traffic might not exceed certain thresholds.

Royal Decree 457/2006 and the Agreement that it approved received favourable reports from the various technical services of the Ministry of Transports, Mobility and Urban Agenda (previously the Ministry of Public Works) and the Ministry of Finance as well as from the Government Advisory Council, with the latter expressly stating that it had no objections to contractual amendment on the grounds of legality, even though it did emphasise its uniqueness. The following significant actions after its approval are noteworthy, forming the legal and judicial backdrop to the situation at the 31 December 2022 close:

<b>Financial year</b>	<b>Action/Opinion Administrative review <sup>(1)</sup></b>	<b>Appeal/Ruling/Report</b>
2006-2010	<ul style="list-style-type: none"><li>The administrative review and audits of Acesa's annual accounts included no objections to the compensation calculation and accounting treatment of the compensation account set forth in the Agreement.</li></ul>	<ul style="list-style-type: none"><li>N/A.</li></ul>

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Financial year	Action/Opinion Administrative review <sup>(1)</sup>	Appeal/Ruling/Report
2011 <sup>(2)</sup>	<ul style="list-style-type: none"> <li>The administrative review recognised the amounts accrued in the year and the compensation balance payable to Acesa, calculated using the same methodology, although it raised questions as to the interpretation of the compensation for guaranteed revenue due to the decrease in traffic as a result of the economic downturn and proposed that a provision be recognised for this revenue until these issues were clarified.</li> </ul>	<ul style="list-style-type: none"> <li>Administrative appeal against the 2011 Administrative Review: <ul style="list-style-type: none"> <li>Rejected in 2015. The decision to reject stipulates that any administrative review of Acesa would not consider the compensation for guaranteed traffic (and corresponding discounting thereof) as part of the agreement balance. Certain disagreements also remained concerning the accounting treatment of the investment made and the related interest cost.</li> </ul> </li> <li>Appeal for a judicial review before the Madrid High Court filed by Acesa against the aforementioned ruling: <ul style="list-style-type: none"> <li>Upheld in full in a ruling passed on 7 March 2017, rendering null and void the Administrative Review of 2011 and equally the 2006 decision of the Government Advisory Council (therefore contradicting the 2014 decision of the Government Advisory Council, see description in 2013), and determining that the AP-7 Agreement was valid and effective for all purposes.</li> </ul> </li> <li>Cassation appeal against this ruling at the Supreme Court filed by the Ministry of Transport, Mobility and Urban Agenda: <ul style="list-style-type: none"> <li>The Supreme Court handed down a judgement on 12 February 2020 upholding the cassation appeal and thereby rendering null and void the judgement of 7 March 2017. The stance taken in the judgement was that the reviews by the Regional Government Office were acts merely for information purposes and not binding upon the concession operators and that the review of 2011 that held that the balances under the Agreement should be deemed to be an intangible asset and, therefore, the balance that should be paid to the concession operator would not be known until 31 August 2021, should be maintained.</li> </ul> </li> <li>Acesa initiated extraordinary proceedings against this judgement in accordance with the law, which have not proved successful. There is, however, still an option to file a complaint with the European authorities when appropriate.</li> </ul>
2012 <sup>(2)</sup>	<ul style="list-style-type: none"> <li>The Administrative Review also did not include any recommendation to recognise a provision, although it did reiterate the matters referred to in the Administrative Review of 2011.</li> </ul>	<ul style="list-style-type: none"> <li>N/A.</li> </ul>
2013 <sup>(2)</sup>	<ul style="list-style-type: none"> <li>The Ministry of Transport, Mobility and Urban Agenda has requested an opinion from the Government Advisory Council with a view to resolving the differences of interpretation raised in the Administrative Review of 2011 and raising the possibility of unilaterally modifying the agreement entered into with Acesa (see details below).</li> </ul>	

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Financial year	Action/Opinion Administrative review <sup>(1)</sup>	Appeal/Ruling/Report
2013 <sup>(2)</sup>	<p>Opinions and reports issued at the request of the Ministry of Transport, Mobility and Urban Agenda (of which the Group was informed in 2015):</p> <ul style="list-style-type: none"> <li>• Report from the Spanish State Legal Service as to whether the compensation formula could be revised ex officio in order to exclude the effect of the decrease in traffic resulting from the economic downturn and, if not, whether the Royal Decree and the Agreement could be amended unilaterally pursuant to the Spanish Toll Roads Law or the "rebus sic stantibus" clause: <ul style="list-style-type: none"> <li>– A review of the compensation formula governed by the Royal Decree and the Agreement was not warranted, since the amendment was contractually valid and because the four-year deadline for declaring it detrimental to the public interest had elapsed.</li> <li>– Unilaterally amending the Royal Decree and the Agreement which it approved would also not be warranted, either under the Toll Roads Law or under the "rebus sic stantibus" clause. Regarding the latter, the report stated that a decrease in traffic is not a wholly unforeseeable circumstance, given that the nature of this factor is to fluctuate and vary, especially over a period as lengthy as 16 years.</li> </ul> </li> <li>• A new opinion from the Government Advisory Council, that concludes, among other aspects: <ul style="list-style-type: none"> <li>– The concession operator does not have a vested right to the annual compensation balances and, consequently, any annual accounts that include amounts accrued as a result of decreased toll road traffic should not receive a favourable review.</li> <li>– The compensation system set forth in the Agreement does not cover possible compensation for decreases in toll road traffic other than decreases that are caused by the widening of the N-II and CN-340 roads (which, in the opinion of the Government Advisory Council, has not occurred) and that exceed the maximum amount of the investments made.</li> <li>– Since there has been no imbalance in the performance of the Agreement, the Agreement should not be unilaterally amended.</li> <li>– In the case of the Agreement in question, the provisions set out in Directive 2014/23/EU of 26 February on the award of concession contracts must be taken into account</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• In 2014 the State Legal Service concluded, as had the Government lawyer for the Ministry of Transport, Mobility and Urban Agenda in 2006 and the opinion of the Government Advisory Council in 2006, that the Agreement approved by Royal Decree 457/2006 is valid and legally effective, and therefore it may not be unilaterally amended by the Administration.</li> <li>• However, the new decision of the Government Advisory Council in 2014 expressly rendered its previous 2006 decision null and void. It justified, from a legal standpoint, its change of stance on the basis that: <ul style="list-style-type: none"> <li>– The novation agreement to amend the Agreement does not permit the traffic risk to be transferred;</li> <li>– The regulated participating loans subsequently rendered the forecasts of guaranteed traffic set forth in the Agreement void; and</li> <li>– Directive 2014/23/EU of 26 February<sup>(4)</sup> on the award of concession contracts requires the concession operator to assume the demand risk.</li> </ul> </li> </ul> <p>Accordingly, it does not accept the compensation balance for guaranteed traffic. However, the Government Advisory Council did emphasise that the concession operator could authorise for issue and approve its annual accounts as it considered fit, although the review would be unfavourable if it continued to apply the same accounting policy, and that if the Ministry considers that the compensation account included the effect of the decrease in traffic it may amend Royal Decree 457/2006 and the Agreement it approved using administrative powers, including the application of the "rebus sic stantibus" clause.</p>

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Financial year	Action/Opinion Administrative review <sup>(1)</sup>	Appeal/Ruling/Report
2014-2020 <sup>(2)</sup>	<ul style="list-style-type: none"> <li>The Administrative Reviews confirmed the stance adopted in the 2014 decision of the Government Advisory Council, in relation to both the balance of the compensation and the investments made and the related interest cost.</li> </ul>	<ul style="list-style-type: none"> <li>Acesa filed appeals to a superior administrative body against these Administrative Reviews: <ul style="list-style-type: none"> <li>These appeals were not expressly resolved by the Government by the corresponding deadline and therefore, Acesa filed appeals for judicial review.</li> <li>A formal decision had only been handed down in relation to the appeals against the 2016 to 2020 Administrative Reviews, which the Ministry rejected as it considered that the reviewed party had no right to appeal them, as they were non-binding mere opinions for information purposes.</li> <li>Acesa filed against these administrative decisions the court appeals that it considered appropriate in defence of its lawful interests, either by filing new judicial remedies or expanding existing ones.</li> </ul> </li> </ul>

<sup>(1)</sup> Review by the Regional Government Office of the toll road concession operators of the Ministry of Transport, Mobility and Urban Agenda.

<sup>(2)</sup> The statutory auditor's reports on the annual accounts of Acesa for the years ended 31 December 2011, 2012, 2013 and 2014 were not qualified in this connection.

<sup>(3)</sup> The participating loans referred to by the Government Advisory Council in its decision in 2014 and regulated by the Budget Laws did not refer to Acesa. There is also no mechanism that enables the application thereof in its favour and they were unconnected with the effects of the Agreement.

<sup>(4)</sup> The transposition into Spanish domestic legislation in 2017, under no circumstances, enables it to be applied retrospectively.

Acesa and the Group have legal opinions from renowned law firms supporting the Group's position and therefore, in view of the differing interpretations made by the parties, the following proceedings were initiated:

Action	Ruling
<ul style="list-style-type: none"> <li>A written request was submitted to the Spanish Cabinet on 29 June 2015 (through the Regional Government Office for toll road concession operators in Spain) asking that it exercise its powers of interpretation regarding Acesa's concession arrangement, with respect to the correct understanding of the compensation clause included in the Agreement approved by Royal Decree 457/2006, in order to include the guaranteed traffic expressly agreed in the arrangement in the compensation account.</li> </ul>	<ul style="list-style-type: none"> <li>The Regional Government Office for toll road concession operators in Spain initiated on 28 March 2017 a proceeding relating to the interpretation of the Agreement approved by Royal Decree 457/2006, and a reply brief was filed by Acesa and sent to the Government Advisory Council so that a decision could be made in in this regard.</li> <li>On 3 July 2017, the Spanish Cabinet announced that it had adopted a decision challenging the interpretation of the Agreement by Acesa. This decision by the Spanish Cabinet confirmed, therefore, the decision to reject the request for interpretation previously challenged at the Supreme Court and can only be perceived for legal purposes as being included in the obligation incumbent upon any government to decide on proceedings brought by the interested parties, since rejection by the administrative silence route does not release the Administration from the obligation to comply with its duty to formally express a decision.</li> </ul>

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- In view of the above, Acesa requested that the Supreme Court extend the appeal to the content of the decision formally expressed by the Spanish Cabinet, which was accepted by the Supreme Court, giving rise to the reopening of the initial submissions proceeding at the Court.
- In this connection, on 4 June 2019 the Supreme Court handed down a judgement whereby the solution was postponed until August 2021 (when Acesa's concession ends), taking the view that it was not appropriate to make any type of interpretation at this time but only at the end of the concession, thereby not expressly accepting the interpretation considered by the Ministry of Transport, Mobility and Urban Agenda.

In this regard, considering that the stance of the Ministry of Transport, Mobility and Urban Agenda questions the guaranteed traffic compensation balance (and the recognition of the related interest cost), on which the parties have different interpretations, the following actions were taken:

- An impairment loss was recognised at Acesa in 2015, amounting to EUR 982 million at 31 December 2014 and the compensation ceased to be recognised in the investee's statement of profit or loss from 1 January 2015 onwards. This stance was maintained by the Group until the end of Acesa's administrative concession on 31 August 2021.
- In relation to the aspects of the balance on which the parties did not have differing interpretations regarding their validity, i.e., the investments made and the related interest cost, but with respect to which they do have differences regarding their accounting treatment, the treatment applied in previous years was maintained. This entailed recognising them as a financial asset in accordance with the applicable technical accounting standards on the understanding that the opinion and information in the administrative reviews issued by the Regional Government Office between 2011 and the end of the concession were incorrect and contrary to the Spanish and European accounting standards applicable to the company. Whatever the case, were the application of the Supreme Court's stance applied, it would not have any effect on the accompanying annual accounts, as it would represent a mere reclassification of the underlying carrying amount yet to be amortised at the respective year-ends, in view of the guarantee recognised by the Spanish Cabinet as described below.

Nevertheless, even if the concession grantor excludes the margin spread when calculating the settlement compensation balance based on its interpretation of the Agreement, the reduction in concession revenue from the widening between 2006 and 2021 of the N-II highway (province of Girona) and N-340 highway (in Tarragona), which are alternative routes to the AP7 North and AP-7 South, respectively, cannot be excluded from the aforementioned balance. This is stipulated in Clauses Seven and Eight of the Agreement and is a compensatory right that should never be questioned.

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Consequently, given that there was a partial doubling of the capacity of the alternative routes to the AP-7 toll road which affected the capital position of Acesa, the concession operator estimated based on expert reports and after the end of the concession and the related consequences of the decrease in traffic have been determined, that the financial damage caused by this totals EUR 277 million over the period covered by Royal Decree 457/2006.

Without prejudice to claiming all of the disputed settlement balance that Acesa deems it is due according to the Agreement approved by Royal Decree 457/2006 and is being challenged, at 2021 year-end, considering that the aforementioned estimated loss caused by the doubling of capacity will need to be recognised as it forms part of the compensation mechanism regulated by Clauses Seven and Eight of the Agreement, a positive impact of EUR 203 million was therefore recognised on the statement of profit and loss at 31 December 2021 for the compensation associated with the impact of the construction of second lanes on the aforementioned alternative routes. A further EUR 78 million was also recognised for the interest cost and EUR 88 million given the stipulations in Section B of Annex 3 of the Agreement.

In this regard, once the administrative concession ended on 31 August 2021, the corresponding administrative processes were followed as contemplated in "Royal Decree 457/2006" until the sums claimed by Acesa had been completely recovered in 2022. The following actions are of special note:

- Acesa calculated that the total settlement of the compensation balance receivable according to Royal Decree 457/2006 was EUR 4,147 million (excluding the tax effect). This was the result of applying on its own terms the mathematical formula for determining the compensation balance established in Annex 3 of the Agreement approved by Royal Decree 457/2006, which Acesa demanded payment of.
- As a result, on 10 February 2022 the concession grantor issued a report on the settlement compensation balance deriving from the Agreement approved by Royal Decree 457/2006, of 7 April, excluding the component corresponding to the operating margin spread (i.e. the difference between the benchmark margin and the actual margin) from the calculation of the compensation balance based on its specific interpretation of the Agreement. Acesa openly disputes this approach. The amount payable to Acesa to settle the compensation balance was therefore set at EUR 1,070 million (including the tax effect of EUR 144 million).

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- On 14 February 2022, Acesa filed objections to this report, challenging the concession grantor's calculation and reiterating the legitimacy of recognising and paying the aforementioned settlement compensation balance calculated by Acesa. These objections were rejected by the Ministry in a report issued on 15 February 2022.
- After the aforementioned amount of EUR 1,070 million was approved as the final settlement balance by the Spanish Cabinet on 18 February 2022, this sum was paid to Acesa on 25 February 2022 (EUR 926,459 thousand corresponding to the value of the compensation for investments as per Royal Decree 457/2006 and EUR 143,207 thousand for the balance receivable given in the stipulations in section B of Annex 3 of the same agreement).

Whatever the case and notwithstanding the impairment allowance recognised by Acesa in prior years and the settlement under the Agreement estimated by the Ministry, Acesa and **Abertis** understand that the legal grounds for the legal validity of the compensation balance they have always presented are still robust. Furthermore, after their efforts to find a solution with the Administration that protects the two companies' and their shareholders' interests, they have initiated proceedings to defend them through all possible channels in the courts.

On 25 March 2022, **Acesa** filed an appeal for judicial review at the Supreme Court against the Spanish Cabinet's 18 February 2022 resolution, having filed a related claim on 1 July 2022 requesting the whole settlement balance claimed via an appeal be recognised (EUR 4,303 million, including the tax effects). This case remains unresolved at the date of authorisation for issue of these consolidated annual accounts.

#### *Assessment of the recoverable amount of Societat d'Autopistes Catalanes, S.A.U.*

In relation to the ownership interest held in Societat d'Autopistes Catalanes, S.A.U. and the assessment of its recoverable amount, several aspects relating to the wholly-owned investee Infraestructures Viàries de Catalunya, S.A. (Invicat) need to be considered:

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a) Infraestructuras Viàries de Catalunya, S.A. (Invicat)

Royal Decree 483/1995 sets forth the Agreement entered into in January 2010 between Invicat and the Catalonia Autonomous Community Government and includes a schedule containing a framework cooperation agreement setting forth the general conditions for modifying and adapting the stretch of the C-32 toll road between Palafolls and the junction with the GI-600 road that is being widened, in addition to other road and mobility management improvements linked to the toll road and its operation in the Maresme corridor.

In the framework of the aforementioned Agreement, on 19 March 2015 a new Agreement was entered into to include the construction, upkeep and operation of a new toll-free access road connecting the toll road with Blanes and Lloret de Mar.

The investments to be made were initially estimated to total EUR 96 million (at 2010 prices).

This Agreement provided that any additional revenue stemming from the investments made could be used for restoring the economic and financial balance altered by the work provided for in the Agreement. It set out the procedure for calculating the economic compensation that the concession operator would receive if, once the concession term had ended, the economic and financial balance had not been restored. It also established the formula for calculating the settlement balance each year, which would consist of the investment made, the operating margin spread and the corresponding interest cost.

On 31 July 2020, the Catalonia Autonomous Community Government reimbursed the accumulated balance of the Government Agreement 39/2015 as of 31 December 2019 for a total amount of EUR 6,804 thousand in favour of Invicat. In this regard, at 2021 year-end the investment made, payable by the Catalonia Autonomous Community Government, amounted to EUR 23,988 thousand.

The preliminary review of the 2020 accounts was issued on 17 June 2021, with the Catalonia Autonomous Community Government questioning the legitimacy of the payment of all of the balance deriving from the Maresme Framework Agreement on the basis that not all the conditions for the whole balance being applicable had been fulfilled, particularly the margin spread.



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Furthermore, concerning the aforesaid Agreement, on 3 August 2021 Invicat received a report from the Sub-directorate General of Relations with Road Infrastructure Management Companies (a public agency of the Catalonia Autonomous Community Government responsible for monitoring the concession arrangement) indicating that the company's proposal for compensation for the balance deriving from the Maresme Agreement would be EUR 65.8 million, on the understanding that the part of the balance corresponding to the margin spread in the compensation formula of this Agreement was inapplicable (a conclusion that Invicat had not been informed of in the preliminary reviews). The Sub-directorate General established a period during which objections could be lodged, which Invicat did on 9 August 2021.

Moreover, after the administrative concession ended on 31 August 2021 and following the corresponding administrative processes set forth in the "Framework agreement for collaboration between the Administration of the Catalonia Autonomous Community Government and the concession operator on various work on the C-32 as it passes through the Maresme" of 29 January 2010, on 7 October 2021 Invicat sent the final settlement of the balance deriving from the Maresme Framework Agreement of January 2010 amounting to EUR 432 million (including the tax effects) to the concession grantor. In this regard, on 21 December 2021 the Catalonia Autonomous Community Government agreed to pay Invicat a sum of EUR 65.8 million to settle the balance resulting from the Maresme Agreement. However, no explicit administrative decision was issued in 2021 on the settlement of the Maresme Agreement that led to objections being lodged by Invicat.

Subsequently, in light of the developments in 2021 and considering no formal administrative decision had been issued at 2021 year-end regarding the Maresme Agreement settlement balance and, consequently, regarding whether said balance will include the operating margin spread, Invicat expected that the concession grantor's final response regarding the final settlement would echo that given in the report received on 3 August 2021 (rejection of the margin spread compensation). At 2021 year-end, Invicat therefore recognised a provision of EUR 210 million for the operating margin spread compensation balance and EUR 59 million for the related interest cost booked (net impact of EUR 202 million on 2021 profit or loss).

It should be noted in relation to the aforementioned Agreement and other compensation receivable that on 18 January 2022 the Catalonia Autonomous Community Government paid Invicat a total sum of EUR 94.1 million, EUR 65.8 million of which to settle the balance resulting from the Maresme Agreement, pursuant to the aforementioned agreement of the Catalonia Autonomous Community Government of 21 December 2021.

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Since the Catalonia Autonomous Community Government did not explicitly respond to the calculation of the settlement balance deriving from the Maresme Agreement proposed by Invicat, the latter filed an appeal for judicial review at the Catalonia High Court challenging the implied rejection due to administrative silence of the total balance claimed by Invicat on 7 October 2021.

Subsequently, on the understanding that no balances payable deriving from the Maresme Agreement remain, Invicat included in its appeal the 7 June 2022 Resolution of the Catalonia Autonomous Community Government which determined as outright the final financial settlement for the concession of Invicat. Invicat lodged a claim in December 2022, which the Catalonia High Court had yet to pass judgement on at the date of authorisation for issue of the accompanying annual accounts.

Regarding the Agreement signed in January 2010 between Invicat and the Catalonia Autonomous Community Government, the account receivable recorded in the balance sheet does not include the impact of the compensation of the tax effect already paid or that should be paid as a consequence of the settlement of the Agreement (nor its grossing up to ensure a neutral tax impact for the concession operator as per the terms of the Agreement), which will be accrued, according to the tax criteria applied by the Group, at the time of collection.

Whatever the case and notwithstanding the impairment allowance recognised in prior years by Invicat and the settlement of the Agreement estimated by the Catalonia Autonomous Community Government, **Abertis** and Invicat understand that there are sufficiently robust legal grounds to claim the entire settlement balance and, as always, will defend them in the courts.

#### **d) Other disclosures**

The Company does not have any obligations to its investees other than the financial investments made, with the exception of the matters discussed in Note 18 and the balances with those companies indicated in Note 19-c.

Lastly, it should be noted that various companies in which **Abertis** has direct and indirect ownership interests have financial debts that include certain guarantees for the lenders, which include pledges or promises to pledge the shares of those subsidiaries or the concession infrastructure operated by them for a total of EUR 6,686 million in 2022 (2021: EUR 6,335 million).

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## 9. NON-CURRENT AND CURRENT FINANCIAL ASSETS

The detail, by category, of the financial assets is as follows:

	Loans, receivables and other investments		Derivative financial instruments	
	2022	2021	2022	2021
Derivative financial instruments (Note 10)	-	-	388,568	51,542
Other current and non-current financial assets	2,763	3,037	-	-
<b>Total</b>	<b>2,763</b>	<b>3,037</b>	<b>388,568</b>	<b>51,542</b>

None of the unmatured loans and receivables were renegotiated in 2022.

“Other Current and Non-Current Financial Assets” includes mainly settlements of interest receivable on interest rate hedges. These balances are stated at their nominal value, which does not differ significantly from their fair value.

The carrying amounts of the financial assets are denominated mainly in euros.

## 10. DERIVATIVE FINANCIAL INSTRUMENTS

The detail of the fair value of the derivative financial instruments at year-end is as follows:

	2022		2021	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps:				
Cash flow hedges	378,059	-	-	-
Cross currency interest rate swaps and currency swaps:				
Cash flow hedges	10,509	14,636	12,745	-
Hedges of net investments in foreign operations	-	-	38,797	-
<b>Derivative financial instruments</b>	<b>388,568</b>	<b>14,636</b>	<b>51,542</b>	<b>-</b>

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The Company has arranged cross currency interest rate swaps

The detail of the derivative financial instruments at 31 December, by type of swap, showing their notional or contractual values, expiry dates and fair values, is as follows:

31/12/22	Notional value	2023	2024	2025	2026	2027	Subsequent years	Net fair value
Interest rate swaps:								
Cash flow hedges	3,991,000	-	766,000	1,000,000	750,000	1,475,000	-	378,059
Cross currency interest rate swaps and currency swaps:								
Cash flow hedges	567,180	100,000	-	-	467,180	-	-	(4,127)
	<b>4,558,180</b>	<b>100,000</b>	<b>766,000</b>	<b>1,000,000</b>	<b>1,217,180</b>	<b>1,475,000</b>	-	<b>373,932</b>

31/12/21	Notional value	2022	2023	2024	2025	2026	Subsequent years	Net fair value
Cross currency interest rate swaps and currency swaps:								
Cash flow hedges	567,180	-	100,000	-	-	467,180	-	12,745
Hedges of net investments in foreign operations	80,000	80,000	-	-	-	-	-	38,797
	<b>647,180</b>	<b>80,000</b>	<b>100,000</b>	-	-	<b>467,180</b>	-	<b>51,542</b>

### a) Interest rate swaps

Between March and July 2022, **Abertis**, in anticipation of future debt issues to be carried out in the coming years in accordance with the Group's business plan, arranged new interest rate swaps for a total of EUR 3,991 million. These have been classified as accounting hedges since the requirements for such classification were met given, inter alia, that these debt issues were considered to be highly probable transactions. At 31 December 2021, the Company had no interest rate swaps.

The impact on the statement of profit or loss of the settlements of these derivative financial instruments was recognised under "Finance Income" or "Finance Costs" (see Note 17-d).

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## b) Cross currency interest rate swaps and currency swaps

**Abertis** no longer has any cross currency interest rate swaps to hedge its investment in the Brazilian Arteris Group. These hedges had a nominal value of BRL 259,692 thousand and an equivalent euro value of EUR 80,000 thousand and expired in 2022.

Until their expiration, as described in Note 4.7-c, hedges of net investments in foreign operations relating to subsidiaries, jointly controlled entities and associates were accounted for as fair value hedges of the foreign currency component, i.e., the changes in fair value are recognised in profit or loss (see Note 17-d).

The amount recognised in this connection as net investment hedges instrumented in investments in Group companies under "Changes in Fair Value of Financial Instruments" in the statement of profit or loss (see Note 17-d) represented a net finance cost of EUR 678 thousand (2021: net finance income of EUR 1,512 thousand), offset by the related increase in the investment (see Note 8-a).

The following hedges were arranged in 2021:

- At the end of March 2021 **Abertis** arranged a hedge in US dollars for USD 117,500 thousand (equivalent euro value of EUR 100,000 thousand), to mitigate the risk of drawing down the same amount on an existing multi-currency loan in US dollars.

The amounts arising from the settlement of these derivative financial instruments are recognised under "Finance Income" or "Finance Costs" (see Note 17-d).

## c) Other disclosures

With regard to the derivative financial instruments arranged by the Company in force at 31 December 2022 and 2021, the detail of the expected net settlements, excluding credit risk adjustments, over the coming years is as follows:

	31/12/22			31/12/21		
	2023	2024-25	Subsequent years	2022	2023-24	Subsequent years
Projected net settlements (*)	15,532	40,786	322,439	44,977	14,826	(8,628)

(\*) Excluding adjustments for credit risk.

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## 11. CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents at 31 December 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Cash on hand	23	19
Cash at banks	321,660	1,039,799
Bank deposits maturing within three months	2,029,226	930,000
<b>Cash and cash equivalents</b>	<b>2,350,909</b>	<b>1,969,818</b>

## 12. SHAREHOLDERS' EQUITY

### a) Share capital, share premium and treasury shares

The detail of these line items and of the changes therein in 2022 and 2021 is as follows:

	<b>Share capital</b>	<b>Treasury shares</b>	<b>Total</b>
<b>At 1 January 2021</b>	<b>2,734,696</b>	<b>(12,783)</b>	<b>2,721,913</b>
Acquisition of treasury shares	-	(8,208)	(8,208)
<b>At 31 December 2021</b>	<b>2,734,696</b>	<b>(20,991)</b>	<b>2,713,705</b>
Capital reduction	(601,633)	-	(601,633)
Acquisition of treasury shares	-	(156)	(156)
<b>At 31 December 2022</b>	<b>2,133,063</b>	<b>(21,147)</b>	<b>2,111,916</b>

### Share capital

At the Annual General Shareholders' Meeting of **Abertis** on 4 April 2022 shareholders approved the repayment of EUR 601,633 thousand of contributions to shareholders through a reduction of Abertis Infraestructuras, S.A.'s capital by decreasing the nominal value of shares from EUR 3.00 to EUR 2.34.

Consequently, at 31 December 2022, the share capital of **Abertis** consisted of 911,565,371 fully subscribed and paid ordinary shares, all of the same class and series, represented by book entries, of EUR 2.34 par value each (EUR 3.00 at 2021 year-end).

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The shares of **Abertis** are represented by book entries and, according to the information available, at 31 December 2022 and 31 December 2021 the shareholdings that had given rise to the appointment of directors were as follows:

	2022	2021
Abertis HoldCo, S.A. <sup>(1)</sup>	98.70%	98.70%
	<b>98.70%</b>	<b>98.70%</b>

<sup>(1)</sup> Atlantia S.p.A. holds an ownership interest of 50% plus one share, Actividades de Construcción y Servicios, S.A. (ACS) holds an ownership interest of 30% and Hochtief Aktiengesellschaft holds an ownership interest of 20% minus one share.

### Treasury shares

Pursuant to the authorisations granted by the Annual General Meeting of 25 July 2018, at which the shareholders adopted, among other resolutions, a resolution to authorise the Board of Directors of the Company to acquire, by transfer of title and directly or indirectly through other companies, treasury shares of the Company for a maximum price of EUR 18.36 per share for a maximum period of five years, i.e., until 25 July 2023, in 2021 and 2022 **Abertis** performed various treasury share purchases.

As a result of the transactions carried out, the treasury shares held at 31 December 2022 represented 0.44% of the share capital of Abertis Infraestructuras, S.A. (2021 year-end: 0.43%).

In any case, the use of the treasury shares held at year-end will depend on such resolutions as might be adopted by the Group's governing bodies.

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The changes in the treasury share portfolio in 2022 and 2021 were as follows:

	Number	Nominal value	Acquisition cost
<b>At 1 January 2022</b>	3,954,617	11,864	20,991
Acquisition of treasury shares	48,994	146	156
Capital reduction	-	(2,642)	-
<b>At 31 December 2022</b>	<b>4,003,611</b>	<b>9,368</b>	<b>21,147</b>

	Number	Nominal value	Acquisition cost
<b>At 1 January 2021</b>	1,557,660	4,673	12,783
Acquisition of treasury shares	2,396,957	7,191	8,208
<b>At 31 December 2021</b>	<b>3,954,617</b>	<b>11,864</b>	<b>20,991</b>

## b) Reserves

The detail of the reserves at 31 December 2022 and 31 December 2021 is as follows:

	<b>2022</b>	<b>2021</b>
<b>Legal and bylaw reserves:</b>		
- Legal reserve	426,613	546,939
	<b>426,613</b>	<b>546,939</b>
<b>Other reserves:</b>		
- Voluntary reserves	150,129	27,200
	<b>150,129</b>	<b>27,200</b>
	<b>576,742</b>	<b>574,139</b>

### Legal reserve

Under Article 274 of the Spanish Limited Liability Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve cannot be distributed to shareholders except in the event of a company's liquidation. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount.



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Except as mentioned above, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2022 (as at the 2021 year-end), this reserve had reached the legally required minimum. This portion corresponding to the capital reduction completed in 2022 was reclassified from the legal reserve to voluntary reserves in 2022 (EUR 120,326 thousand).

The Company reclassified the surplus over and above the statutory minimum in the legal reserve at 31 December 2020 to voluntary reserves in 2021 (EUR 47,290 thousand).

#### Voluntary reserves

In 2022, the Company reclassified the portion of the legal reserve set aside at 2021 year-end corresponding to the capital reduction completed in 2022 to voluntary reserves, EUR 120,326 thousand.

In relation to the changes in 2021 and in addition to the changes relating to the distribution of profit, of particular note is the negative impact on reserves of EUR 600,579 thousand (amount net of treasury shares) due to the dividend distribution. Also, the Company reclassified the EUR 47,290 thousand surplus over and above the statutory minimum legal reserve at 2020 year-end to voluntary reserves.

#### Dividends

On 20 April 2021, the Annual General Meeting of **Abertis** approved the payment of a dividend out of unrestricted reserves of EUR 0.66 gross per share of Abertis Infraestructuras, S.A., representing EUR 601,633 thousand. This was paid on 28 April 2021.

Finally, the following dividends have been distributed in the last 5 years:

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	Thousands of euros				
	2022	2021	2020	2019	2018
Charge to profit	-	-	-	-	875,103
Charge to reserves	-	601,633	875,103	9,963,410	-
<b>Dividends paid</b>	-	<b>601,633</b>	<b>875,103</b>	<b>9,963,410</b>	<b>875,103</b>

### c) Other shareholder contributions

At an extraordinary General Meeting on 29 November 2022, Abertis Infraestructuras, S.A.'s shareholders voted in favour of its majority shareholder, Abertis HoldCo, S.A., making a non-monetary contribution of EUR 1,000 million to Abertis Infraestructuras, S.A.'s equity. This contribution comprised a credit right derived from a loan agreement between the two parties, after a loan novation agreement was signed with credit institutions for said sum, which was transferred from Abertis Infraestructuras, S.A. to Abertis HoldCo, S.A. (Note 13).

This contribution was recognised net of the amount corresponding to Abertis Infraestructuras, S.A.'s minority shareholders of EUR 991 million. The portion corresponding to non-controlling interests of EUR 8,600 thousand has been recognised under "Interest and Other Income" on the accompanying statement of profit or loss.

## 13. NON-CURRENT AND CURRENT PAYABLES

The detail, by category, of the non-current and current payables is as follows:

	Accounts payable		Derivative financial instruments	
	2022	2021	2022	2021
Debt instruments and other marketable securities	10,136,999	10,177,206	-	-
Bank borrowings	2,498,872	4,119,767	-	-
Lease liabilities under finance leases	-	-	-	-
Derivative financial instruments (Note 10)	-	-	14,636	-
Other financial liabilities	6	6	-	-
<b>Total</b>	<b>12,635,877</b>	<b>14,296,979</b>	<b>14,636</b>	<b>-</b>

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The detail, by maturity, of the accounts payable at the end of each reporting period is as follows:

	31 December 2022							Total	
	Current	Non-current					Subsequent years		Total
	2023	2024	2025	2026	2027				
Debt instruments and other marketable securities	749,721	675,862	1,056,132	1,437,764	1,493,246	4,724,274	9,387,278	10,136,999	
Bank borrowings	271,074	520,000	934,605	773,193	-	-	2,227,798	2,498,872	
Other financial liabilities	-	-	-	-	-	6	6	6	
<b>Total</b>	<b>1,020,795</b>	<b>1,195,862</b>	<b>1,990,737</b>	<b>2,210,957</b>	<b>1,493,246</b>	<b>4,724,280</b>	<b>11,615,082</b>	<b>12,635,877</b>	

	31 December 2021							Total	
	Current	Non-current					Subsequent years		Total
	2022	2023	2024	2025	2026				
Debt instruments and other marketable securities	159,892	621,472	675,597	1,048,250	1,461,174	6,210,821	10,017,314	10,177,206	
Bank borrowings	109,795	298,892	1,304,214	1,534,214	872,652	-	4,009,972	4,119,767	
Other financial liabilities	-	-	-	-	-	6	6	6	
<b>Total</b>	<b>269,687</b>	<b>920,364</b>	<b>1,979,811</b>	<b>2,582,464</b>	<b>2,333,826</b>	<b>6,210,827</b>	<b>14,027,292</b>	<b>14,296,979</b>	

The carrying amounts and fair values of the non-current payables are as follows:

	Carrying amount		Fair value	
	2022	2021	2022	2021
Bank loans				
Debt instruments and other marketable securities	2,227,798	4,009,972	2,140,519	4,021,298
Other financial liabilities	6	6	6	6
<b>Total</b>	<b>11,615,082</b>	<b>14,027,292</b>	<b>10,374,772</b>	<b>14,841,747</b>

The financial liabilities are stated at their amortised cost. The fair values are measured using cash flows discounted at a rate based on a borrowing rate of 4.544% (2021: 0.865%).

At 31 December 2022, as was the case at 31 December 2021, the Company's debts are denominated in euros, except for 400 million denominated in pounds sterling and 118 million in US dollars.

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The Company has the following undrawn credit facilities:

	<u>2022</u>	<u>2021</u>
Floating rate:		
- maturing at less than one year	100,000	-
- maturing at more than one year	2,893,612	2,984,781
	<u>2,993,612</u>	<u>2,984,781</u>

At 2022 year-end the Company had undrawn credit facilities with a limit of EUR 2,994 million (2021: EUR 2,985 million), EUR 2,894 million of which matures at more than one year. No credit facilities had been drawn down at 2022 year-end (2021: EUR 40 million).

Of the EUR 2,994 million of the credit facilities, EUR 1,626 million (2021: EUR 1,400 million) can be drawn down in euros or in other currencies (for the related equivalent amount). The credit facilities denominated in euros bear interest at Euribor plus a spread and the credit facilities denominated in currencies other than the euro bear interest at Libor plus a spread.

The main points concerning debt in 2022 are as follows:

- During the year, **Abertis** paid down EUR 630 million (2021: EUR 855 million), EUR 485 million to repay early the first instalment of the Club Deal due in 2024, EUR 40 million to service a line of credit that had been drawn down in the previous year; EUR 100 million to repay a bilateral loan; and EUR 5 million to partially repay another bilateral loan.
- On the other hand, **Abertis** signed of a bank loan novation agreement for EUR 1,000 million, which has been transferred from Abertis Infraestructuras, S.A. to Abertis HoldCo, S.A. (Note 12-c).
- Also, **Abertis** took steps to optimise the Group's liquidity and to reduce borrowing costs by renegotiating credit facilities amounting to EUR 1,576 million (2021: EUR 1,750 million).

In 2021, **Abertis** also had access to the following financing programmes:

- A Euro Medium Term Note Programme (EMTN) approved by the Board of Directors of **Abertis** on 26 February 2019 for a maximum total of EUR 7,000 million, registered with the Central Bank of Ireland (CBI) in Dublin on 6 March 2019, and which, as approved by the Board of Directors of **Abertis** on 13 January 2020, was increased to EUR 12,000 million.

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At 31 December 2022 the total amount of bond issues carried out under the aforementioned Bond Programme was EUR 6,826 million (31 December 2021: also EUR 6,826 million).

- A Euro Commercial Paper Programme (ECP) registered with the Central Bank of Ireland (CBI) in Dublin on 28 June 2019 for EUR 1,000 million, which was renewed in September 2022. None of this has been drawn at 2022 year-end (as was the case at 2021 year-end)

In 2021 the main matters of note were as follows:

- At the beginning of the year, **Abertis** obtained a new syndicated loan from credit institutions totalling EURO 500 million and falling due in 2026. The loan bears interest at a floating rate tied to the Euribor plus a spread, and is earmarked to replenish liquidity after the acquisition of the ERC subgroup.
- At year-end, it had also drawn down EUR 40 million on a line of credit which expires in 2023.
- During 2021, the Company also repaid EUR 100 million corresponding to credit facilities drawn down in the year.
- **Abertis** also settled early the outstanding balance on a syndicated loan of EUR 750 million, initially falling due in October 2023. In doing so, it has repaid in full the term loan corresponding to the debt acquired by **Abertis** in 2019.
- Also, **Abertis** took steps to optimise the Group's liquidity and to reduce borrowing costs by renegotiating credit facilities amounting to EUR 1,750 million. Accordingly, at 31 December 2021 the average term of the total volume of credit facilities was 2.09 years.

#### **a) Bond issues and bank borrowings**

The detail of the bond issues and non-current bank borrowings at 31 December 2022 is as follows:

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Instrument	Initial nominal value	Arrangement date	Maturity date	Currency	Interest rate	Amount drawn down at 31/12/22 <sup>(1)</sup>
Bonds	600,000	20/06/13	20/06/23	EUR	Fixed	600,000
Bonds	250,000	19/03/14	19/03/24	EUR	Fixed	250,000
Bonds	600,000	27/03/19	27/06/24	EUR	Fixed	256,100
Bonds	160,000	01/02/05	21/12/24	EUR	Floating	160,000
Bonds	700,000	27/06/14	27/02/25	EUR	Fixed	575,400
Bonds	700,000	15/07/19	15/07/25	EUR	Fixed	503,200
Bonds	100,000	31/03/14	31/03/26	EUR	Fixed	100,000
Bonds	1,150,000	20/05/16	20/05/26	EUR	Fixed	894,900
Bonds	467,181	27/03/19	27/11/26	GBP	Fixed	450,994
Bonds	500,000	17/11/16	27/02/27	EUR	Fixed	500,000
Bonds	1,000,000	27/03/19	27/09/27	EUR	Fixed	1,000,000
Bonds	600,000	07/02/20	07/02/28	EUR	Fixed	600,000
Bonds	850,000	26/09/19	26/03/28	EUR	Fixed	850,000
Bonds	900,000	30/06/20	29/03/29	EUR	Fixed	900,000
Bonds	600,000	15/07/19	15/07/29	EUR	Fixed	600,000
Bonds	1,000,000	27/03/19	27/03/31	EUR	Fixed	1,000,000
Bonds	650,000	26/09/19	26/03/32	EUR	Fixed	650,000
Bonds	125,000	14/05/08	14/05/38	EUR	Fixed	125,000
Loans	100,000	12/12/19	31/03/23	USD	Floating	110,398
Loans	150,000	03/12/19	03/06/23	EUR	Floating	150,000
Loans	200,000	20/12/18	20/03/24	EUR	Floating	200,000
Loans	165,000	28/11/18	28/03/24	EUR	Floating	165,000
Loans	100,000	10/01/19	10/07/24	EUR	Floating	100,000
Loans	50,000	16/11/18	15/11/24	EUR	Floating	50,000
Loans	90,000	10/01/20	10/01/25	EUR	Floating	90,000
Loans	50,000	17/12/19	20/03/25	EUR	Floating	40,000
Loans	150,000	31/10/18	10/05/25	EUR	Floating	150,000
Loans	50,000	24/07/20	24/07/25	EUR	Floating	50,000
Loans	200,000	21/07/17	15/01/26	EUR	Floating	200,000
Loans	175,000	11/05/17	11/05/26	EUR	Floating	75,000
Loans	970,000	27/12/18	13/01/25	EUR	Floating	485,000
Loans	130,000	28/04/20	28/04/25	EUR	Floating	130,000
Loans	500,000	19/02/21	19/02/26	EUR	Floating	500,000

<sup>(1)</sup> Amount corresponding to the contractual cash flows, translated at the closing exchange rate or, where appropriate, the rate set in the associated hedge, which differ from their carrying amount due to the effect of applying the amortised cost criteria established in the applicable financial reporting framework, including the impact of the PPA after Atlantia obtained control of Abertis and the subsequent merger of Abertis with Abertis Participaciones explained in Note 6 to the 2019 annual accounts.

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The detail of the bond issues and non-current bank borrowings at 31 December 2021 was as follows:

Instrument	Initial nominal value	Arrangement date	Maturity date	Currency	Interest rate	Amount drawn down at 31/12/21 <sup>(1)</sup>
Bonds	600,000	20/06/13	20/06/23	EUR	Fixed	600,000
Bonds	250,000	19/03/14	19/03/24	EUR	Fixed	250,000
Bonds	600,000	27/03/19	27/06/24	EUR	Fixed	256,100
Bonds	160,000	01/02/05	21/12/24	EUR	Floating	160,000
Bonds	700,000	27/06/14	27/02/25	EUR	Fixed	575,400
Bonds	700,000	15/07/19	15/07/25	EUR	Fixed	503,200
Bonds	100,000	31/03/14	31/03/26	EUR	Fixed	100,000
Bonds	1,150,000	20/05/16	20/05/26	EUR	Fixed	894,900
Bonds	467,181	27/03/19	27/11/26	GBP	Fixed	476,032
Bonds	500,000	17/11/16	27/02/27	EUR	Fixed	500,000
Bonds	1,000,000	27/03/19	27/09/27	EUR	Fixed	1,000,000
Bonds	600,000	07/02/20	07/02/28	EUR	Fixed	600,000
Bonds	850,000	26/09/19	26/03/28	EUR	Fixed	850,000
Bonds	900,000	30/06/20	29/03/29	EUR	Fixed	900,000
Bonds	600,000	15/07/19	15/07/29	EUR	Fixed	600,000
Bonds	1,000,000	27/03/19	27/03/31	EUR	Fixed	1,000,000
Bonds	650,000	26/09/19	26/03/32	EUR	Fixed	650,000
Bonds	125,000	14/05/08	14/05/38	EUR	Fixed	125,000
Loans	100,000	12/12/19	31/03/23	USD	Floating	103,964
Loans	150,000	03/12/19	03/06/23	EUR	Floating	150,000
Loans	200,000	20/12/18	20/03/24	EUR	Floating	200,000
Loans	165,000	28/11/18	28/03/24	EUR	Floating	165,000
Loans	100,000	10/01/19	10/07/24	EUR	Floating	100,000
Loans	50,000	16/11/18	15/11/24	EUR	Floating	50,000
Loans	150,000	05/12/19	05/12/24	EUR	Floating	150,000
Loans	150,000	12/12/19	12/12/24	EUR	Floating	150,000
Loans	150,000	10/01/19	10/01/25	EUR	Floating	150,000
Loans	90,000	10/01/20	10/01/25	EUR	Floating	90,000
Loans	50,000	10/01/20	10/01/25	EUR	Floating	50,000
Loans	100,000	19/02/20	28/02/25	EUR	Floating	100,000
Loans	50,000	17/12/19	20/03/25	EUR	Floating	45,000
Loans	150,000	31/10/18	10/05/25	EUR	Floating	150,000
Loans	300,000	05/12/19	28/05/25	EUR	Floating	300,000
Loans	50,000	24/07/20	24/07/25	EUR	Floating	50,000
Loans	200,000	21/07/17	15/01/26	EUR	Floating	200,000
Loans	175,000	11/05/17	11/05/26	EUR	Floating	175,000
Loans	970,000	27/12/18	13/01/25	EUR	Floating	970,000
Loans	130,000	28/04/20	28/04/25	EUR	Floating	130,000
Loans	500,000	19/02/21	19/02/26	EUR	Floating	500,000
Loans	100,000	05/12/19	06/04/22	EUR	Floating	100,000
Line of credit	0	12/03/20	12/03/23	EUR	Floating	39,927

<sup>(1)</sup> Amount corresponding to the contractual cash flows, translated at the closing exchange rate or, where appropriate, the rate set in the associated hedge, which differ from their carrying amount due to the effect of applying the amortised cost criteria established in the applicable financial reporting framework, including the impact of the PPA after Atlantia obtained control of Abertis and the subsequent merger of Abertis with Abertis Participaciones explained in Note 6 to the 2019 annual accounts.

As of December 31, 2022 and 2021, the Company has issued bonds listed in various markets in Spain and Ireland.

Also, at the end of 2022 79% (2021: 70%) of the borrowings bore a fixed interest rate or a rate fixed through hedges.

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Lastly, it should be noted that in relation to the main financing agreements in force at 31 December 2022 no financial assets of amounts material with respect to these annual accounts had been pledged as security for liabilities or contingent liabilities (as at the end of 2021).

There are no obligations or covenants associated with the financing agreements that at the date of these annual accounts might give rise to the liabilities becoming immediately claimable by the lender.

In this regard, at the date of authorisation for issue of these annual accounts, the clauses or obligations included in the bond issues and loans had been fulfilled. Also, a portion of the borrowings arranged by the Company, amounting to approximately EUR 9,111 million, includes covenants relating to changes in control, in relation to EUR 8,526 million of which the change of control must occur together with a material negative impact on the credit rating (loss of the "investment grade" category). In this regard, at the date of authorisation for issue of these annual accounts, there had been no impact in relation to those covenants.

## **b) Rating**

At the date of formal preparation of these annual accounts **Abertis** had a long-term "BBB" investment-grade adequate credit quality rating awarded by the international credit rating agency Standard and Poor's Credit Market Services Europe Ltd. The short-term credit rating at that date was "A-3".

In addition, **Abertis** holds a long-term "BBB+" rating awarded by the international credit rating agency Fitch Ratings Ltd., and a short-term "F3" rating.

## **14. LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS**

Among the obligations to its employees, the Company has defined contribution pension obligations and sponsors an occupational pension plan.

The economic and actuarial information on the existing liability relating to the Company's pension obligations to its employees is as follows:



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#### **a) Defined contribution obligations**

The staff costs recognised in the statement of profit or loss for the year in relation to defined contribution obligations totalled EUR 1,724 thousand (2021: EUR 1,571 thousand) (Note 17-b).

#### **b) Other obligations**

Together with the aforementioned obligations, the Company has obligations to its employees tied to the degree of achievement of certain business objectives. The change in these obligations includes mainly, the provision for the corresponding portion of the obligation associated with the "2022-2024 Incentive Plan" (Note 19-a).

### **15. OTHER PROVISIONS**

At 31 December 2022, **Abertis** had recognised provisions to cover the risks associated with its normal operations.

### **16. INCOME TAX AND TAX MATTERS**

#### **a) Tax-related disclosures**

Since 1 January 2019, the Company has filed consolidated income tax returns as part of the tax group headed by Abertis Holdco, S.A. (until 2018 the head of the tax group was Abertis Infraestructuras, S.A).

Also, since 1 January 2019 the Company has filed consolidated VAT returns as part of the tax group also headed by Abertis Holdco, S.A. (until 2018 the head of the tax group was Abertis Infraestructuras, S.A).

At 31 December 2022, the Company had open for review by the tax authorities all the taxes applicable to it for which the statute of limitations period had not expired at that date.

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In this regard, in 2022, the Company, as the parent of the tax group until 2018, along with the parent of the current tax group, Abertis Holdco, S.A., have received the final assessments on the partial tax inspections in relation to VAT from December 2017 to February 2018 and for the month of February 2019. These assessments rejected the requests to rectify and refund income unduly declared by both entities in relation to compensation received from public administrations by certain concession operators in the tax group. The tax group has decided not to appeal these assessments and therefore, the case is taken as closed.

At the date of signing the accompanying annual accounts, no decision had been handed down at the respective administrative or court body processing each one of the tax assessments issued to the tax group, which were signed on a contested basis and appealed against, with respect to income tax for 2010 to 2013 and VAT for July 2011 to December 2013, along with the contested basis tax assessments in relation to income for 2014 to 2016 and VAT from June 2014 to December 2016.

In this regard, the Company considers that the proceedings associated with the tax assessments signed on a contested basis and the possible differences in the way current tax legislation is interpreted in relation to the years open for review will not have a significant impact reflected in these annual accounts.

Also, the Company as the parent of the tax Group, challenged in 2020 and 2021 both the consolidated income tax returns and the instalment payments for 2016 to 2019 based on the possible unconstitutionality of both Royal Decree-Law 3/2016, which established the limitation on the prior years' tax losses offset to 25%, among other modifications, and Royal Decree-Law 2/2016 which increased the amount of the instalment payments. In 2020 the Constitutional Court issued a judgement dated 1 July stating the unconstitutionality of Royal Decree-Law 2/2016, which led to the acknowledgement thereof by the Tax Agency and the refund of the amounts claimed by the Group in relation to the instalment payments of 2016 and 2017, with the other years and items pending resolution in different instances at the date of authorisation for issue of these annual accounts.

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Lastly, it should be noted that in 2007 the European Commission initiated an investigation procedure against the Kingdom of Spain in relation to State aid relating to Article 12.5 of the former Consolidated Spanish Income Tax Law. In this connection, the Commission adopted Decision 2011/5/EC of 28 October 2009 (First Decision) on acquisitions within the EU and Decision 2011/282/EU of 12 January 2011 (Second Decision) on foreign shareholding acquisitions, stating that the deduction regulated by Article 12.5 constituted unlawful State aid. In addition to the foregoing, the Commission adopted Decision 2015/314/EU of 15 October 2014 (Third Decision) also classifying as State aid the deductions that applied under Article 12.5 of the Consolidated Spanish Income Tax Law in the case of indirect acquisitions (Third Decision). On 1 April 2015, **Abertis** filed an action for annulment at the General Court of the European Union against the Third Decision of the Commission, a proceeding that was immediately stayed by the Court until judgements had been handed down on the cassation appeals filed by the Commission against two judgements of the General Court on the Decisions of 2009 and 2011 on this issue.

Since the cassation appeals against the First and Second Decisions were upheld, in the first quarter of 2017 the General Court of the European Union ordered the end of the stay of all the actions for annulment against the Third Decision and the re-initiation of the proceedings affected, including that brought by **Abertis**. Therefore, on 24 March 2017 the European Commission lodged a defence with the General Court, following which **Abertis** lodged the related reply on 30 May 2017. At the end of this proceeding the General Court of the European Union must hand down a judgement analysing the solid legal grounds presented by **Abertis** against the Third Decision.

In this connection, on 15 November 2018 the General Court dismissed the appeals against the First and Second decisions of the Commission, upholding that the amortisation of goodwill for tax purposes constituted State aid incompatible with the internal market, although it confirmed the existence of legitimate expectations in the cases of acquisitions prior to 21 December 2007. Cassation appeals were filed against judgements with the European Court of Justice, which rejected them outright in 2021. The appeal filed by **Abertis** against the Third Decision is pending a decision at the same chamber of the General Court of the European Union, and the unfavourable final outcome of the appeals against the First and Second Decisions do not prejudice the specific issues of a different nature raised by **Abertis** in its appeal against the Third Decision.

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In any case, the resolution of this matter is not expected to have a negative impact on the Company's equity because either it has returned the corresponding amount plus late-payment interest, or because it had already recognised a deferred tax liability associated with the goodwill deducted to date which has not yet been actually returned to the Spanish tax authorities.

In 2019 the Company was directly or indirectly involved in various corporate transactions to which the special tax regime provided for in Chapter VIII of Title VII of Income Tax Law 27/2004, of 27 November, was applied. The information relating to these transactions is disclosed in the notes to the annual accounts for 2019 (Notes 6 and 9-a to the 2019 annual accounts). The transactions were as follows:

- On 14 March 2019, the merger of Abertis Infraestructuras, S.A. with Abertis Participaciones, S.A. (Sole-Shareholder Company), through the absorption in full of the latter by the former, was executed in a public deed.
- On 30 December 2019, the merger of Inversora de Infraestructuras S.L. with Abertis Infraestructuras Chile, Spa, through the absorption in full of the latter by the former, was executed in a public deed.

In 2002, 2003 and 2004 the Company also performed various corporate transactions to which the special tax regime provided for in Chapter VIII of Title VII of Legislative Royal Decree 4/2004 (in 2002 and 2003 Chapter VIII of Title VIII of the Spanish Income Tax Law) was applied. The information relating to these transactions is disclosed in the annual accounts for 2002, 2003 and 2004. The transactions were as follows:

- The non-monetary contribution to Autopistas Concesionaria Española, S.A. (Sole-Shareholder Company) of the line of business relating to the toll road concessions operated by the Company (2002) and the capital increase at the investee Abertis Logística, S.A. subscribed by the Company through the non-monetary contribution of shares of various investees (2002).
- The capital increase at the Company, in order to perform the share exchange established as the means of consideration in the tender offer launched by the Company for the shares of Ibérica de Autopistas, S.A. (2002).

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- The merger by absorption of Aurea, Concesiones de Infraestructuras, S.A. (2003) and Ibérica de Autopistas, S.A. (2004) into Abertis Infraestructuras, S.A. and the consequent dissolution without liquidation of the former two companies.

## b) Income tax expense

The standard income tax rate for 2022 and 2021 was 25%.

A reconciliation between net income and expenses for the year and the taxable income (tax loss) for 2022 and 2021 is as follows:

2022	Profit or loss			Income and expense recognised directly in equity		
	Increase	Decrease	Total	Increase	Decrease	Total
Profit (Loss) after tax for the year			(69,627)			292,645
Income tax benefit for the year	-	-	(62,060)	-	-	99,282
Permanent differences	1,455,821	(1,600,207)	(144,386)	-	-	-
Temporary differences:						
- arising in the year	6,049	(74,115)	(68,066)	391,979	-	(391,979)
- arising in prior years	-	(65,460)	(65,460)	-	-	-
<b>Total</b>			<b>(409,599)</b>			<b>(52)</b>
<b>Tax loss to be included in the consolidated tax base</b>			<b>(409,651)</b>			

  

2021	Profit or loss			Income and expense recognised directly in equity		
	Increase	Decrease	Total	Increase	Decrease	Total
Profit (Loss) after tax for the year			(597,518)			(13,902)
Income tax benefit for the year	-	-	(74,097)	-	-	(4,635)
Permanent differences	1,004,149	(640,941)	363,208	-	-	-
Temporary differences:						
- arising in the year	5,916	(74,115)	(68,199)	-	-	-
- arising in prior years	-	(48,965)	(48,965)	18,536	-	18,537
<b>Total</b>			<b>(425,571)</b>			<b>-</b>
<b>Tax loss to be included in the consolidated tax base</b>			<b>(425,571)</b>			

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The main components of the income tax benefit for 2022 and 2021 are as follows:

	<b>2022</b>		
	<b>Profit or loss</b>	<b>Equity</b>	<b>Total</b>
Current tax	(107,589)	(13)	<b>(107,602)</b>
Deferred tax	34,620	99,295	<b>133,915</b>
Prior years' taxes/Other	10,909	-	<b>10,909</b>
<b>Total</b>	<b>(62,060)</b>	<b>99,282</b>	<b>37,222</b>

  

	<b>2021</b>		
	<b>Profit or loss</b>	<b>Equity</b>	<b>Total</b>
Current tax	(114,076)	-	<b>(114,076)</b>
Deferred tax	34,329	(4,635)	<b>29,694</b>
Prior years' taxes/Other	5,650	-	<b>5,650</b>
<b>Total</b>	<b>(74,097)</b>	<b>(4,635)</b>	<b>(78,732)</b>

The income tax expense or benefit reflected in the Company's statement of profit or loss is calculated using the following parameters:

- The permanent differences were considered to include mainly 95% of the dividends and gains received from companies that meet the requirements provided for in Article 21 of the Spanish Income Tax Law (EUR 1,361,886 thousand), the amortisation of the goodwill that was recognised as a result of the merger by absorption of Abertis Participaciones that was not tax deductible for the Company (EUR 776,483 thousand), and the impairment losses and or income from the reversal of impairment losses on the investments in the equity of Group companies (EUR 675,223 thousand and EUR 229,526 thousand, respectively).
- The consolidated tax group assumed the right to fully offset the tax loss incurred in 2022 and partially offset the tax loss incurred in 2015 and not used by the group in that period. The tax loss carried forward from 2015 and used by the tax group in 2022 totalled EUR 4,943 thousand (EUR 1,236 thousand tax credit).

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- The consolidated tax group assumed the right to partially apply the deductions generated during the year (EUR 3,954 thousand) corresponding to deductions for taxes paid abroad, the deduction for research and development and technological innovation, the deduction for the reversal of temporary measures in accordance with the provisions of the Thirty-seventh Transitory Provision of Corporation Tax Law 27/2014 of 27 November 2014, and deductions for donations. It recognised the pertinent intra-group offset on the balance sheet.
- Taxes similar to income tax paid abroad and the adjustment to the income tax expense incurred in 2021 increased the income tax expense by EUR 10,909 thousand (2021: EUR 5,650 thousand).

The tax withholdings made amount to EUR 303 thousand and no pre-payments were made (2021: EUR 24 thousand).

### c) Deferred taxes

The detail of the deferred taxes is as follows:

	<b>2022</b>	<b>2021</b>
<b>Deferred tax assets:</b>	<b>164,370</b>	<b>162,226</b>
- Tax loss carryforwards	12,781	13,873
- Provisions for employee benefit obligations	8,487	9,141
- Impairment of the ACDL/APDC/SPI investment portfolio	908	908
- Timing differences	31	47
- Inclusion of deductible impairment of financial assets	1,878	1,878
- Derivatives	69,861	74,641
- Revaluation of loans	32,013	41,884
- Credit for deductions	866	-
- Inclusion of result of ERC tax group	37,666	19,841
- Other	(121)	13
<b>Deferred tax liabilities:</b>	<b>(341,769)</b>	<b>(206,658)</b>
- Gains from transfer of concession operators	(70,734)	(70,734)
- Amortisation of financial goodwill	(100,055)	(81,527)
- Inclusion of result of ERC tax group	(37,666)	(19,841)
- Derivatives	(94,174)	-
- Other	(39,140)	(34,556)
<b>Deferred taxes</b>	<b>(177,399)</b>	<b>(44,432)</b>

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The changes in "Deferred Tax Assets" and "Deferred Tax Liabilities" in 2022 and 2021 were as follows:

	2022		2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
<b>At 1 January</b>	<b>162,226</b>	<b>(206,658)</b>	<b>162,003</b>	<b>(168,291)</b>
Amount charged/(credited) to profit or loss	(10,614)	(22,770)	(10,767)	(18,526)
Amount charged/(credited) to equity	(4,780)	(94,515)	(4,635)	-
Tax loss and tax credit carryforwards	(1,236)	-	(5,036)	-
Other amounts charged/(credited) (adjustment prior year's income tax)	18,774	(17,826)	20,661	(19,841)
<b>At 31 December</b>	<b>164,370</b>	<b>(341,769)</b>	<b>162,226</b>	<b>(206,658)</b>

In accordance with the criteria detailed in Note 4.10, each company in the tax group recognised in its balance sheet as at 31 December 2015 and 2020 the deferred tax asset corresponding to the portion of the tax losses that had not been offset by the other tax Group companies, as well as that corresponding to tax deductions not applied by the Group.

In this regard, at 31 December 2015 the Company recognised a deferred tax asset of EUR 23,168 thousand (individual tax loss of EUR 92,673 thousand), which was increased by EUR 575 thousand in the definitive income tax return for 2015 filed in July 2016. At 31 December 2022, deferred tax assets of EUR 10,947 thousand had not yet reversed, after having credited to profit or loss at year-end, and in the final returns for 2016 to 2022 a joint amount of EUR 12,796 thousand,

Also, the Company recognised in its balance sheet as at 31 December 2020 the deferred tax asset of EUR 1,149 thousand (EUR 4,596 thousand tax loss) corresponding to the portion of the tax losses that had not been offset by Group, which was increased by EUR 685 thousand in the definitive income tax return for 2020 filed in July 2021, as well as EUR 1,990 thousand for deductions, also increased by EUR 88 thousand in the definitive income tax return for 2020 filed in July 2021. At 31 December 2022 there is a deferred tax asset pending reversal of EUR 1,834 thousand for tax loss carryforwards and EUR 866 thousand for deductions.

The deferred tax assets indicated above were recognised in the accompanying balance sheet because the Company's directors considered that, based on their best estimate of the consolidated tax group's future earnings and pursuant to Spanish Income Tax Law 27/2014 and the other applicable legislation, and the Resolution of 9 February 2016 of the Spanish Accounting and Audit Institute (ICAC), it is probable that these assets will be recovered.



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In this regard, the reforms approved in 2016 eliminated the time limit for offsetting tax losses, although certain limitations were placed on their offset, namely, 25% of the tax base prior to the offset in the case of the tax group of which the Company forms part.

A new reform has also been approved imposing a cap in 2023 alone of 50% of individual tax loss carryforwards of companies in a tax group that can be offset. The tax group of which the Company forms a part considers that this law change will not affect the recoverability of deferred tax assets recognised by the various Group companies.

The deferred tax liabilities recognised at 2022 year-end relate mainly to the tax effect associated with the amortisation of the financial goodwill pursuant to Article 12.5 of the former Spanish Income Tax Law.

## **17. INCOME AND EXPENSES**

### **a) Revenue**

As indicated in Note 1, **Abertis** operates in the toll road concessions sector. As the parent of the Group, the Company's revenue relates mainly to dividends and the provision of services to Group companies (see Note 19-c).

The breakdown, by geographical market, of the Company's revenue in 2022 and 2021 is as follows:

<b>Market</b>	<b>%</b>	
	<b>2022</b>	<b>2021</b>
Spain	45.1	27.7
Rest of Europe	44.5	69.9
Latin America and USA	10.4	2.4
India	0.0	0.0
	<b>100.00</b>	<b>100.00</b>

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## b) Staff costs

The detail of the staff costs incurred in 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Wages and salaries	17,218	16,495
Social security contributions	2,280	2,237
Pension costs:		
- Defined contribution plans (Note 14-a)	1,724	1,571
Other obligations	4,500	4,500
Other	2,229	1,943
	<b>27,951</b>	<b>26,746</b>

The average number of employees, by category, in 2022 and 2021 was as follows:

	<b>2022</b>	<b>2021</b>
Permanent employees:		
- Directors	1	1
- Senior managers	12	11
- Middle management and junior managers	75	68
- Other employees	56	63
Temporary employees	2	1
	<b>146</b>	<b>144</b>

Also, the Company's headcount at the end of 2022 and 2021, by gender, was as follows:

	<b>2022</b>			<b>2021</b>		
	<b>Men</b>	<b>Women</b>	<b>Total</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
Permanent employees:						
- Directors	1	-	1	1	-	1
- Senior managers	9	3	12	9	2	11
- Middle management and junior managers	46	35	81	37	32	69
- Other employees	22	37	59	25	38	63
Temporary employees	-	1	1	-	1	1
	<b>78</b>	<b>76</b>	<b>154</b>	<b>72</b>	<b>73</b>	<b>145</b>

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The average number of employees at the Group in 2022 and 2021 with a disability equal to or greater than 33%, by category, was as follows:

	<b>2022</b>	<b>2021</b>
Permanent employees:		
- Directors	-	-
- Senior managers	-	-
- Middle management and junior managers	-	-
- Other employees	2	2
Temporary employees	-	-
	<b>2</b>	<b>2</b>

Also, it should be noted that the shareholders at the Extraordinary General Meeting held on 10 December 2018 set the number of members of the Board of Directors of **Abertis** at five or nine. At 31 December 2022, the aforementioned Board of Directors consisted of nine members, all of whom were male, with all the seats on the Board occupied (2021: five members, all of whom were male).

### c) Impairment and gains or losses on disposals of non-current assets

Details of impairment and gains or losses on disposals of non-current assets during 2022 and 2021 are as follows:

	<b>2022</b>	<b>2021</b>
Net change in impairment and other losses	(445,697)	(226,049)
Gains or losses on disposals of non-current assets	21,035	9,522
<b>Total</b>	<b>(424,662)</b>	<b>(216,527)</b>

"Net Change in Impairment and Other Losses" mainly relates to the impairment loss recognised in relation to a portion of the ownership interests in considers that this law change will not affect the recoverability of deferred tax assets recognised at the Group (EUR 486,589 thousand) and Participes en Brasil, S.A. (EUR 171,239 thousand). Part of the provision set aside by Societat d'Autopistes Catalanes, S.A.U. (EUR 96,258 thousand), Inversora de Infraestructuras, S.L. (EUR 89,984 thousand) and Abertis Internacional, S.A. (EUR 37,869 thousand) has also been reversed (Note 8-c).

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The amount recognised in the previous year also relates to the impairment loss recognised in relation to a portion of the ownership interests in Participes en Brasil, S.A. (EUR 208,427 thousand), Inversora de Infraestructuras S.L. (EUR 151,624 thousand) and Societat d'Autopistes Catalanes, S.A.U. (EUR 115,568 thousand). The provision recognised for Abertis Autopistas España, S.A.U. (EUR 249,570 thousand) has also been partially reversed (see Note 8-c).

The amount recognised under "Gains or Losses on Disposals of Non-current Assets" mainly comprises the positive impact on profit or loss of booking the capital reductions agreed during 2022 by some of **Abertis's** investees (EUR 16,973 thousand) In accordance with the Resolution of 5 March 2019 of the Spanish Accounting and Audit Institute. It also includes a gain of EUR 3,448 thousand related with the sale in the previous year of Abertis Motorways UK, Ltd, (EUR 9,522 thousand in the previous year), and a gain of EUR 614 thousand for the sale of Concesionaria Vial de los Andes, S.A. and Constructora de Infraestructura Vial, S.A.S (Note 8-c).

#### d) Finance income and costs

The detail of the finance income and costs in 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Income from loans to Group companies and associates (Note 19-c)	4,387	1,468
Interest and other income	14,014	28
Income from settlement of derivative financial instruments	18,371	16,651
<b>Finance income</b>	<b>36,772</b>	<b>18,145</b>
Interest on loans from Group companies and associates (Note 19-c)	(76,329)	(73,199)
Interest on bank loans and other	(252,435)	(244,378)
Expenses arising on settlement of derivative financial instruments	(26,055)	(31,029)
<b>Finance costs</b>	<b>(354,819)</b>	<b>(348,606)</b>

The detail of "Changes in Fair Value of Financial Instruments" in 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Gain (Loss) on hedging instruments	(17,549)	25,261
	<b>(17,549)</b>	<b>25,261</b>

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This line item primarily includes the net impacts of cash flow hedge accounting (Note 10) – negative impact of EUR 16,871 thousand.

The detail, by class of financial instrument, of the exchange differences recognised in 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
<b>Transactions settled in the year:</b>		
Loans and commercial transactions	2,474	1,005
	<b>2,474</b>	<b>1,005</b>
<b>Outstanding and unmatured balances:</b>		
Loans	17,076	(35,407)
	<b>17,076</b>	<b>(35,407)</b>
	<b>19,550</b>	<b>(34,402)</b>

#### e) Transactions in currencies other than the euro

The detail of the transactions performed in a currency other than the euro in 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Services received	3,420	1,357
Services rendered	12,157	8,202
Finance costs	18,370	16,650
Finance income	25,723	16,673

Pursuant to Royal Decree 1558/2012, of 15 November, the Company states that it complies with the disclosure obligation concerning assets and rights located abroad, through the individual recognition in subsidiary accounting documents of the assets and rights held abroad, which are duly identified and recognised in a manner consistent with the accompanying annual accounts.

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## **18. CONTINGENCIES, COMMITMENTS AND OBLIGATIONS**

### **a) Contingent liabilities**

At 31 December 2022, the Company had provided collateral and other guarantees to third parties amounting to EUR 70,150 thousand (2021: EUR 69,816 thousand), which relate mainly to guarantees provided by banks to the public authorities in connection with certain obligations (investments, operation of services, financing, taxes, etc.) assumed by the Company itself and by investees. No unforeseen significant liabilities are expected to arise as a result of these guarantees.

Also, the Company acts as guarantor in relation to the financing agreements entered into by Aulesa for EUR 22,647 thousand (2021: EUR 25,011 thousand) and Abertis Infraestructuras BV for an equivalent euro value of EUR 2,242,187 thousand (2021: EUR 2,253,398 thousand).

The financial debt novation agreement for EUR 1,000 million between **Abertis** and its majority shareholder Abertis HoldCo, S.A. (Note 13) includes the granting of a guarantee by Abertis Infraestructuras, S.A. securing the novated debt and any possible rollovers and/or refinancing thereof.

The Company also acts as guarantor in relation to the operating agreements entered into by **Emovis** for EUR 63,583 thousand (2021: EUR 65,388 thousand) and, at 2021 year-end by Eurotoll for EUR 4,600 thousand. The latter was disposed of in 2022.

### **b) Commitments and obligations**

Lastly, as part of the agreement with the French Government for the "Plan Relance" for French toll roads, the shareholders of the French concession operators agreed to create a fund to develop infrastructure of a clearly environmental nature ("Fonds de Modernisation Ecologique des Transports", FMET). In this regard, having obtained a 100% ownership interest in the French subgroup Hit/Sanef, the contribution of **Abertis** as the shareholder is estimated at around EUR 50 million, which will be paid as the various investment projects to be carried out are approved. In the year ended 31 December 2022, contributions of EUR 10,300 thousand were made in this connection (2021: EUR 11,440 thousand), and the accumulated contributions at 2022 year-end amount to EUR 32,015 thousand (2021: EUR 21,715 thousand).

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## **19. RELATED PARTY TRANSACTIONS**

### **a) Directors and senior executives**

As established in Article 25 of the bylaws, directors are not remunerated except for the CEO and non-executive Board Secretary, who earned remuneration of EUR 130 thousand in 2022 (the same as in 2021). The directors did not therefore earn any remuneration in 2022 (as in 2021) for their functions as directors, and only the CEO earned remuneration.

As a senior executive, the CEO earned EUR 1,998 thousand in 2022 (2021: also EUR 1,998 thousand) in the form of annual fixed and variable compensation. In the second quarter of 2022, bonuses of EUR 2,970 thousand were also paid out for hitting the multi-year targets set in the 2019-2021 Incentive Plan.

Moreover, the CEO accrued EUR 480 thousand in pension benefits (2021: also EUR 480 thousand) and other remuneration in kind amounting to EUR 63 thousand , (2021: EUR 46 thousand).

The remuneration in 2022 of the senior executives, understood to be the general managers and similar employees of **Abertis** who in that year carried out management duties while reporting directly to the Board of Directors or the CEO of Abertis Infraestructuras, S.A. totalled EUR 2,777 thousand (2021: EUR 2,653 thousand). In the second quarter of 2022, bonuses of EUR 3,905 thousand were also paid out for hitting the multi-year targets set in the 2019-2021 Incentive Plan.

Moreover, the senior executives earned as other benefits contributions related to social welfare obligations and other remuneration in kind amounting to EUR 348 thousand and EUR 170 thousand, respectively (2021: EUR 333 thousand and EUR 152 thousand, respectively).

Also, in accordance with the remuneration policy of the Company, the Group has in place a new multi-year incentive plan named "ILP 2022-24", tied to the degree of attainment of the targets in the Group's three-year plan for that period.

Lastly, it should be noted that pursuant to Royal Decree 602/2016, of 2 December, the information required in relation to the amount of the third-party liability insurance policies of **Abertis'** directors for damage caused or omissions, which totalled EUR 330 thousand (2021: EUR 334 thousand), are disclosed.

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## b) Other disclosures concerning the Board of Directors

Pursuant to Article 229 of the Spanish Limited Liability Companies Law, the directors have not reported any direct or indirect conflict of interest that they (or any persons related to them) might have with the Company's interests.

## c) Group companies and associates

The detail of the financial assets and liabilities, excluding equity instruments (see Note 8-b), held by the Company with Group companies and associates (Note 8-a) is as follows:

	31 December 2022				
	Financial assets			Financial liabilities	
	Loans and other financial assets		Trade receivables from Group companies and associates	Payables	
	Non-current	Current	Current	Non-current	Current
Atlantia	-	-	143	-	-
Abertis HoldCo	-	109,426	-	-	61,517
Abertis Aut. Spain	-	5,397	94	-	321
Acesa	-	-	-	-	121
Avasa	-	-	-	-	17
Societat Autopistes Catalanes	-	9,234	-	-	174
Aucat	-	-	-	-	19
Túnel del Cadí	-	-	-	-	3
Hit 2	-	-	-	-	17,725
Sanef	-	-	3,172	-	13
Emovis	-	-	424	-	903
Abertis Mobility services	-	-	40	-	29
Abertis tel. Satélites	-	-	-	-	290,429
Abertis Finance BV	-	34,870	-	2,298,526	57,967
Abertis Internacional	255,982	540	-	-	-
Invin	-	1,421	-	-	-



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	31 December 2022				
	Financial assets			Financial liabilities	
	Loans and other financial assets		Trade receivables from Group companies and associates	Payables	
	Non-current	Current	Current	Non-current	Current
Vías Chile	-	-	581	-	-
Autopista Central	-	-	225	-	-
Metropistas	-	56	-	-	-
Ausol	-	(13)	857	-	-
Gco	-	145	81	-	-
Arteris	-	-	329	-	-
Partícipes en Brasil	-	-	10	-	-
Partícipes en Brasil II	-	-	10	-	-
A4 Mobility	-	-	124	-	-
A4 Holding	-	-	1,029	-	-
Abertis India Toll Road	-	-	525	-	-
Jadche, JEPL	-	-	524	-	-
Trichy, TTPL	-	-	610	-	-
Infraestructuras Viarias Mexicanas	-	-	-	-	(27)
RCO	-	-	985	-	-
ERC Opco, LLC	-	-	162	-	-
Others	-	70	48	-	13
<b>Total</b>	<b>255,982</b>	<b>161,146</b>	<b>9,973</b>	<b>2,298,526</b>	<b>429,224</b>

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	31 December 2021				
	Financial assets			Financial liabilities	
	Loans and other financial assets		Trade receivables from Group companies and associates	Payables	
	Non-current	Current	Current	Non-current	Current
Atlantia	-	-	346	-	-
Abertis HoldCo	-	230,496	-	-	228,459
Abertis Aut. Spain	-	1,933	254	-	163
Acesa	-	-	100	-	50
Avasa	-	-	-	-	8
Societat Autopistes Catalanes	-	65,470	-	-	65,523
Aucat	-	-	-	-	1
Túnel del Cadí	-	-	-	-	2
HIT	-	-	45	-	-
Sanef	-	-	2,932	-	-
Emovis	-	-	385	-	35
Abertis Mobility services	-	-	43	-	21
Abertis tel. Satélites	-	-	-	-	289,303
Abertis Finance BV	-	85,950	-	2,301,788	57,757
Abertis Internacional	-	-	-	-	141,243
Invin	-	1,421	-	-	-
Vías Chile	-	-	852	-	113
Autopista Central	-	-	789	-	-
Metropistas	-	56	-	-	-
Ausol	-	(13)	1,843	-	-
Gco	-	-	42	-	-
Arteris	-	-	227	-	-
Eurotoll	-	10,097	53	-	13
A4 Mobility	-	-	79	-	-
A4 Holding	-	-	1,434	-	-
Abertis India Toll Road	-	-	673	-	-

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	31 December 2021				
	Financial assets			Financial liabilities	
	Loans and other financial assets		Trade receivables from Group companies and associates	Payables	
	Non-current	Current	Current	Non-current	Current
Jadche, JEPL	-	-	328	-	-
Trichy, TTPL	-	-	945	-	-
Infraestructuras Viarias Mexicanas	-	-	461	-	(27)
<b>Total</b>	-	<b>395,410</b>	<b>11,831</b>	<b>2,301,788</b>	<b>782,664</b>

During January 2021, Abertis Infraestructuras Finance, B.V. (Abertis Finance) has issued two perpetual subordinated bonds ("hybrid bonds") secured by Abertis Infraestructuras, S.A. for an aggregate amount of EUR 750,000 thousand, redeemable on or after the fifth anniversary of date of payment at the discretion of the issuer. **Abertis** therefore had an intercompany balance payable to Abertis Infraestructuras Finance, B.V. for the same sum.

On 24 November 2020, intercompany borrowings amounting to EUR 1,250 million and maturing in 2026 were arranged between **Abertis** and Abertis Infraestructuras Finance, B.V. This debt is for the same amount of the issue of perpetual subordinated bonds by the aforementioned subsidiary on that same date.

**Abertis** has non-current balances payable to Abertis Infraestructuras Finance, B.V. maturing in 2024 and 2039.

Abertis Infraestructuras, S.A. has provided a full, unconditional guarantee in relation to the issues launched by Abertis Infraestructuras Finance, B.V., as described in Note 18-a.

Abertis has also granted a guarantee securing the novated debt (EUR 1,000 million) and any possible rollovers and/or refinancing thereof, as described in Note 18-a to its majority shareholder, Abertis HoldCo, S.A..

The loans and borrowings between Group companies accrue interest at market rates and are arranged under market conditions, which are therefore reasonably considered to be equivalent to those to which might be agreed on by independent parties.

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Also, all the commercial transactions are performed on an arm's length basis.

The payables to Group companies and associates mature as follows:

**31 December 2022**

	Current	Non-current						Total non-current and current
	2023	2024	2025	2026	2027	Subsequent years	Total	
Payables to Group companies and associates	429,224	108,746	3,611	1,248,659	742,466	195,044	2,298,526	2,727,750

**31 December 2021**

	Current	Non-current					Total non-current and current	
	2022	2023	2024	2025	2026	Subsequent years		Total
Payables to Group companies and associates	782,664	5,964	110,152	3,611	1,247,072	934,989	2,301,788	3,084,452

The detail of the transactions performed by the Company in 2022 and 2021 with Group companies and associates (see Note 4.16) is as follows:

	31 December 2022				
	Revenue			Expenses	
	Services rendered and other income	Interest received	Return on equity (dividends)	Services received	Interest paid
Abertis HoldCo	-	93	-	-	191
Abertis Autopistas España	2,094	7	582,894	204	401
Acesa	14	-	-	118	-
Castellana	1,336	-	-	-	-
Avasa	1,777	-	-	18	-
Aulesa	73	-	-	-	-
Societat d'Autopistes Catalanes	-	8	-	-	559
Aucat	968	-	-	24	-

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	31 December 2022				
	Revenue			Expenses	
	Services rendered and other income	Interest received	Return on equity (dividends)	Services received	Interest paid
Infraestructures Viàries de Catalunya	(115)	-	-	-	-
Túnel del Cadí	-	-	-	19	-
HIT	-	-	619,091	-	-
HIT 2	-	-	-	-	67
Sanef	20,386	-	-	42	-
Emovis	213	373	-	170	-
Eurotoll	52	42	-	13	-
A. Puerto Rico	-	-	7,978	-	-
Metropistas	139	-	-	-	-
Gco	103	-	-	-	-
Ausol	929	-	1,141	-	-
Abertis telecom Satélites	-	-	-	-	904
Vías Chile	5,707	-	-	(14)	-
Invin	106	-	125,786	-	-
Autopista Central	225	-	-	-	-
Abertis Finance BV	-	1,472	-	-	74,207
Abertis Internacional	-	2,392	30,813	-	-
Arteris	1,047	-	-	-	-
Participes en Brasil	104	-	-	-	-
Participes en Brasil II	104	-	-	-	-
Abertis Mobility Services	306	-	33,007	24	-
A4 Mobility	405	-	-	-	-
A4 Holding	3,872	-	-	-	-
Abertis India Toll Road	255	-	-	-	-
Trichy, TTPL	226	-	-	-	-
Jadche, JEPL	196	-	-	-	-
RCO	6,633	-	-	-	-
ERC Opco, LLC	1,063	-	-	-	-

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	31 December 2022				
	Revenue			Expenses	
	Services rendered and other income	Interest received	Return on equity (dividends)	Services received	Interest paid
<b>Total</b>	<b>48,218</b>	<b>4,387</b>	<b>1,400,710</b>	<b>618</b>	<b>76,329</b>

	31 December 2021				
	Revenue			Expenses	
	Services rendered and other income	Interest received	Return on equity (dividends)	Services received	Interest paid
Atlantia	119	-	-	-	-
Abertis Autopistas España	1,874	-	96,182	140	-
Acesa	3,469	-	-	53	-
Aumar	21	-	-	-	-
Castellana	1,110	-	-	-	-
Avasa	1,444	-	-	9	-
Aulesa	65	-	-	-	-
Societat d'Autopistes Catalanes	-	-	65,470	-	-
Aucat	971	-	-	40	-
Infraestructures Viàries de Catalunya	820	-	-	-	-
Túnel del Cadí	-	-	-	13	-
HIT	-	-	478,000	-	-
Sanef	17,226	-	-	29	-
Emovis	531	(4)	-	35	-
Eurotoll	94	92	-	13	-
A. Puerto Rico	-	-	4,209	-	-
Metropistas	5	-	-	3	-
Gco	86	-	-	-	-
Ausol	1,811	-	-	-	-
Abertis telecom Satélites	55	-	-	-	-

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.

	31 December 2021				
	Revenue			Expenses	
	Services rendered and other income	Interest received	Return on equity (dividends)	Services received	Interest paid
Vías Chile	4,472	-	-	113	-
Invin	99	-	24,000	-	-
Autopista Central	789	-	-	-	-
Abertis Finance BV	-	1,358	-	-	73,199
Arteris	893	-	-	-	-
Participes en Brasil	98	-	-	-	-
Participes en Brasil II	97	-	-	-	-
Abertis Mobility Services	200	-	2,000	17	-
A4 Mobility	316	-	-	-	-
A4 Holding	3,610	-	-	-	-
Abertis Motorways	-	22	1,284	-	-
Abertis India Toll Road	270	-	-	-	-
Trichy, TTPL	154	-	-	-	-
Jadche, JEPL	126	-	-	-	-
RCO	3,923	-	-	-	-
Abertis USA HoldCo	85	-	-	-	-
Opco, LLC	774	-	-	-	-
<b>Total</b>	<b>45,607</b>	<b>1,468</b>	<b>671,145</b>	<b>465</b>	<b>73,199</b>

#### d) Other related parties

Other related parties, as defined by the Spanish National Chart of Accounts, means those shareholders (in addition to the Group companies and subsidiaries mentioned in the preceding section) of Abertis Infraestructuras, S.A. with significant influence over the Company (see Note 4.16).

At 31 December 2022, as at 31 December 2021, the significant shareholders of **Abertis** were Atlantia, ACS and Hochtief, as described in Note 12-a.

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Also, at 31 December 2022, as at 31 December 2021, **Abertis** did not have any balances with related entities corresponding to: (i) bond issues, loans and credit lines received; (ii) financial swaps arranged; (iii) financing of retirement obligations; (iv) assets purchased and services received; (v) obligations and contingencies; or (vi) other items.

In addition to the dividends paid to shareholders, the breakdown of the balances and transactions with significant shareholders is as follows:

i) Bond issues, loans and credit lines received, obligations and contingencies

At 31 December 2022, as at 31 December 2021, **Abertis** had not issued any bonds and had not arranged any loans or guarantee lines with related entities.

In 2022, as in 2021, no finance income received from, or finance costs paid to, related entities were recognised.

ii) Financial swaps arranged

At 31 December 2022, as at 31 December 2021, the Company had not arranged any financial swaps with related banks in connection with foreign currency and/or interest rate hedges.

iii) Financing of employee benefit obligations

In 2022 (as at 31 December 2021) the Company did not make any contributions to insurance policies that the Group may have arranged with any related entity in order to meet the defined benefit obligations to the Group's employees. Also, no plan assets were held in relation to these policies in either of those years.

iv) Assets purchased and services received

In 2022 (as in 2021) the Company did not purchase any assets from related parties.

Lastly, at 2022 year-end no services were received from related entities (2021: EUR 119 thousand).



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## **20. EVENTS AFTER THE REPORTING PERIOD**

On 31 January 2023, as part of its 2022-2030 Sustainability Plan **Abertis** placed its first issue of sustainable bonds – Sustainability Linked Bonds (SLB) – amounting to EUR 600 million, maturing in 6.5 years with a coupon of 4.125% (which will be reduced substantially on applying the interest-rate hedges arranged in 2022, Note 10), which will be used for general corporate purposes.

## **21. OTHER DISCLOSURES**

### **a) Fees paid to auditors**

In 2022 the fees for financial audit and other services provided by KPMG Auditores, S.L. amounted to EUR 144 thousand and EUR 228 thousand, respectively (2021: EUR 144 thousand and EUR 169 thousand, respectively). Other related services consisted of limited reviews of interim annual accounts agreed-upon procedures reports, a comfort letter on security issuances, and procedures concerning “Information on ICFRS” provided to the Company by KPMG Auditores, S.L..

In 2022 and 2021, the Company’s auditor did not provide any other services which, if required according to auditing legislation, would need to be provided by the auditor.

Also, the fees billed by other companies that use the KPMG name in relation to tax counselling and other services rendered to the Company amounted to EUR 5 thousand and EUR 331 thousand, respectively (2021: EUR 25 thousand and EUR 127 thousand, respectively).

### **b) Amendment or termination of agreements**

There has been no conclusion, amendment or early termination of any agreement between the Company and any of its shareholders or directors, or any person acting on their behalf, in relation to transactions outside the ordinary course of the Company’s business operations or transactions not performed on an arm’s length basis.

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**c) Disclosures on the periods of payment to suppliers. Additional Provision Three. "Disclosure obligation" provided for in Law 15/2010, of 5 July.**

The following information is required by Additional Provision Three of Law 15/2010, of 5 July, amended by Final Provision Two of Law 31/2014, of 3 December, amending the Spanish Limited Liability Companies Law to improve corporate governance, in accordance with the ICAC Resolution of 29 January 2016 and as amended by the third additional provision of Law 18/2022, of 28 September, on disclosures to be included in the notes to annual accounts in relation to the average period for payment to suppliers in commercial transactions, published in the Official State Gazette on 4 February 2016:

	<b>2022</b>	<b>2021</b>
Average period of payment to suppliers (no. of days)	24	29
Ratio of transactions settled (no. of days)	25	30
Ratio of transactions not yet settled (no. of days)	19	15
Total payments made	28,704	30,953
Total payments made within the statutory deadline	28,679	30,764
Percentage of total payments made	99.9%	99.4%
Number of invoices paid within the statutory deadline	2,830	2,849
Percentage of total invoices	99.8%	99.7%
Total payments outstanding	2,860	1,806

The figures shown in the foregoing table in relation to payments to suppliers relate to suppliers that, because of their nature, are trade creditors for the supply of goods and services.

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

#### **Direct investments in group companies and associates**

Company	Registered office	Line of business	Auditor	Ownership interest		Share capital	Reserves (*) (interim dividend deducted)	Profit (Loss) for the year	Dividends received
				Net value	%				
Abertis Infraestructuras Finance, B.V.	Rapenburgerstraat 177 C, 1011 VM Amsterdam (Netherlands)	Financial services	Kpmg	-	100%	18	1,964,415	48,149	-

#### **Operation of toll roads:**

Abertis Autopistas España, S.A.	Paseo de la Castellana, 89, 28046-Madrid	Study, development and construction of civil infrastructure	Kpmg	1,765,205	100%	551,000	1,109,169	(24,422)	582,894
Societat d'Autopistes Catalanes, S.A.U.	Av. Pedralbes, 17 Barcelona	Construction, upkeep and operation of toll roads under concession arrangements	Kpmg	1,032,958	100%	1,060	823,712	46,473	-
Autopistas de Puerto Rico y Compañía, S.E. (APR) (1)	Montellanos Sector Embalse San José San Juan de Puerto Rico 00923 (Puerto Rico)	Infrastructure concession operator	Kpmg	-	100%	2,848	(18,480)	16,131	7,978
Inversora de Infraestructuras S.L. (INVIN)	Paseo de la Castellana, 89, 28046-Madrid	Holding company	Kpmg	1,545,900	80%	163,416	536,631	155,855	125,786
Autopistas del Sol, S.A. (AUSOL) (1) and (2)	Ruta Panamericana; 2451 Boulogne (B1609JVF) Buenos Aires (Argentina)	Toll road concession operator	Kpmg	17,767	31.59%	32,289	108,416	19,674	1,140

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

Company	Registered office	Line of business	Auditor	Ownership interest		Share capital	Reserves (*) (interim dividend deducted)	Profit (Loss) for the year	Dividends received
				Net value	%				
Holding d'Infrastructures de Transport, S.A.S	30, Boulevard Gallieni 92130 Issy-les-Moulineaux (France)	Holding company	Kpmg	3,629,537	100%	959,359	(429,957)	587,261	619,091
Holding d'Infrastructures de Transport 2, S.A.S	30, Boulevard Gallieni 92130 Issy-les-Moulineaux (France)	Holding company	Kpmg	46,316	100%	50,000	(2,998)	64	-
Abertis Mobility Services, S.L.	Avinguda Pedralbes, 17 08034 Barcelona	Design, development, implementation and maintenance of technological solutions for the management of transport infrastructure	Kpmg	39,760	100%	1,003	31	27,410	33,007
Autopistas Metropolitanas de Puerto Rico, LLC (1)	City View Plaza 500, Torre 1 Carretera 165 Núm. 48 Guaynabo, P.R. 00968 (Puerto Rico)	Toll road concession operator	Kpmg	278,624	51.00%	353,486	(66,962)	31,128	-
Sociedade Para Participação em Infraestrutura, S.A. (1)	Avda Presidente Juscelino Kubitschek, 1455. 9º andar. Itaim Bibi. São Paulo. 04543-011 (Brasil)	Operation of concessions	Kpmg	-	51.00%	3,992	(3,327)	69	-
Partícipes en Brasil, S.A.	Paseo de la Castellana, 89, 28046-Madrid	Holding company	Kpmg	58,447	51.00%	41,093	786,579	(401,617)	-

Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.

## ABERTIS INFRAESTRUCTURAS, S.A.

Appendix to the notes to annual accounts for 2022  
(in thousands of euros)

Company	Registered office	Line of business	Auditor	Ownership interest		Share capital	Reserves (*) (interim dividend deducted)	Profit (Loss) for the year	Dividends received
				Net value	%				
Abertis Internacional, S.A.	Paseo de la Castellana 89, 28046 Madrid	Construction, upkeep and operation of toll roads under concession arrangements	Kpmg	274,141	100%	33,687	108,486	31,602	30,814
Infraestructuras Viarias Mexicanas, S.A. de CV	Oso 127 Int.104, Colonia del Valle, Del. Benito Juárez, C.P. 03104, Ciudad de México (Mexico)	Holding company	Kpmg	1,339,634	99.9%	1,579,622	(791)	16	-
Abertis USA HoldCo LLC	152 TUNNEL FACILITY DR, PORTSMOUTH, VA - 23707-1802	Holding company	-	572,337	100%	651,134	(28)	(60)	-

### Telecommunications:

Abertis Telecom Satélites, S.A.	Paseo de la Castellana, 89, 28046-Madrid	Holding (satellite telecommunications)	Kpmg	290,402	100%	242,082	48,337	665	-
				<b>10,891,028</b>					<b>1,400,710</b>

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

#### Indirect investments

Company	Registered office	Line of business	Auditor	% of indirect ownership interest	Holder of indirect ownership interest	Share capital	Reserves (*) (interim dividend deducted)	Profit (Loss) for the year
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#### Through Abertis Autopistas España:

Autopistas, Concesionaria Española, S.A. (ACESA)	Av. Pedralbes, 17 Barcelona	Toll road concession operator	Kpmg	100%	Abertis Autopistas España, S.A.	319,489	277,893	13,412
Iberpistas, S.A. Concesionaria del Estado	Autopista AP-6 PK57 San Rafael Segovia	Toll road concession operator	Kpmg	100%	Abertis Autopistas España, S.A.	54,000	207,100	195,215
Areamed 2000, S.A.	Avda. Diagonal, 579-587 5ª planta Barcelona	Operation of service areas	Other auditors	50.00%	Abertis Autopistas España	2,070	(1,873)	1,133
BIP & Drive E.DE., S.A.	C/ Serrano 45 Planta 2, Local A, 28001, Madrid	Marketing of tags	Other auditors	35.00%	Abertis Autopistas España	4,613	9,002	3,712
Abertis Gestión Viaria, S.A.	Av. Pedralbes, 17 Barcelona	Toll road concession operator	Kpmg	100%	Abertis Autopistas España, S.A.	60	52	(24)
Ciralsa, S.A.C.E. (4)	Av. Maisonnave, 41 Alicante	Construction, upkeep and operation of toll roads	Other auditors	25.00%	Abertis Autopistas España, S.A.	-	-	-
Grupo Concesionario del Oeste, S.A. (GCO) (1) and (3)	Ruta Nacional no. 7, km25,92 Ituzaingó (Argentina)	Toll road concession operator	Kpmg	48.60%	Acesa	58,452	1,087	10,231
Autopista Terrassa- Manresa, Concesionaria de la Generalitat de Catalunya, S.A. (AUTEMA)	Autopista C-16, Km 41. Barcelona	Toll road concession operator	Kpmg	23.72%	Acesa	83,411	391,234	(79,353)

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

Company	Registered office	Line of business	Auditor	% of indirect ownership interest	Holder of indirect ownership interest	Share capital	Reserves (*) (interim dividend deducted)	Profit (Loss) for the year
Castellana de Autopistas, S.A.C.E.	Autopista AP-6 PK57 San Rafael Segovia	Toll road concession operator	Kpmg	100%	Iberpistas	100,500	84,460	71,382
Autopistas de León, S.A.C.E. (AULESA)	Ctra. Santa María del Páramo s/n Villadongos del Páramo, León	Toll road concession operator	Kpmg	100%	Iberpistas	34,642	(16,064)	(1,813)
Autopistas Vasco-Aragonesa, C.E.S.A. (AVASA)	Barrio de Anuntzibai, s/n 48410 Orozco. Vizcaya	Toll road concession operator	Kpmg	100%	Iberpistas	237,095	47,419	39,490
Autopista Trados-45, S.A. (TRADOS-45)	Ctra. M-203 P.K. 0,280. Madrid	Toll road concession operator	Kpmg	51.00%	Iberpistas	21,039	89,689	14,648
Alazor Inversiones, S.A. (4)	Carretera M-50, Km 67,5 Area de Servicio la Atalaya Villaviciosa de Odón. Madrid	Holding company	Other auditors	31.22%	Iberpistas	-	-	-
Infraestructuras y Radiales, S.A. (IRASA) (4)	Carretera M-100 Alcalá de Henares a Daganzo Km 6,3 28806 Alcalá de Henares	Administration and management of infrastructure	Other auditors	30.00%	Iberpistas/ Avasa	-	-	-
M-45 Conservación, S.A. (4)	Ctra. M-203 P.K. 0,280. Madrid	Upkeep and maintenance of toll roads	Other auditors	25.50%	Trados 45	553	39	64
Accesos de Madrid, C.E.S.A. (4)	Carretera M-50, Km 67,5 Area de Servicio la Atalaya Villaviciosa de Odón. Madrid	Toll road concession operator	Other auditors	31.22%	Alazor Inversiones	-	-	-
Autopista del Henares, S.A.C.E. (HENARSA) (4)	Carretera M-100 Alcalá de Henares a Daganzo Km 6,3 28806 Alcalá de Henares	Toll road concession operator	Other auditors	30.00%	Infraestructuras y Radiales	-	-	-

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

Company	Registered office	Line of business	Auditor	% of indirect ownership interest	Holder of indirect ownership interest	Share capital	Reserves (*) (interim dividend deducted)	Profit (Loss) for the year
Erredosa Infraestructuras, S.A. (ERREDOSA) (4)	Carretera M-100 Alcalá de Henares a Daganzo Km 6,3 28806 Alcalá de Henares	Administration and management of infrastructure	Other auditors	30.00%	Infraestructuras y Radiales	-	-	-

#### Through Societat d'Autopistes Catalanes:

Autopistes de Catalunya, S.A. (AUCAT)	Av. Pedralbes, 17 Barcelona	Toll road concession operator	Kpmg	100%	Societat d'Autopistes Catalanes, S.A. sociedad unipersonal	96,160	49,589	40,330
Infraestructures Viàries de Catalunya, S.A. (INVICAT)	Av. Pedralbes, 17 Barcelona	Construction, upkeep and operation of toll roads under concession arrangements	Kpmg	100%	Societat d'Autopistes Catalanes, S.A. sociedad unipersonal	49,037	(19)	13,647
Túnels de Barcelona i Cadí concessionaria de la Generalitat de Catalunya, S.L.	C. de Vallvidrera a San Cugat BV- 1462 Km 5,3 Barcelona	Toll road concession operator	Kpmg	50.01%	Infraestructuras Viàries de Catalunya, S.A.	60	93,657	22,201



## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

#### Through Vías Chile and Inversora de Infraestructuras (1):

Vías Chile, S.A.	Rosario Norte N°407, Las Condes Santiago, (Chile)	Promotion, upkeep and operation of all manner of construction projects	Kpmg	80.00%	Invin	103,076	92,840	38,912
Gestora de Autopistas, S.A. (GESA)	Rosario Norte N°407, Las Condes Santiago, (Chile)	Management, upkeep and operation of roads, dual carriageways and toll roads	Kpmg	80.00%	Vias Chile	1,207	542	732
Sociedad Concesionaria del Elqui, S.A. (Elqui)	Rosario Norte N°407, Las Condes Santiago, (Chile)	Toll road concession operator	Kpmg	80.00%	Vias Chile	52,495	(11,035)	24,099
Sociedad Concesionaria Rutas del Pacífico, S.A.	Rosario Norte N°407, Las Condes Santiago, (Chile)	Toll road concession operator	Kpmg	80.00%	Vias Chile	81,090	93,889	67,977
Sociedad Concesionaria Autopista de Los Andes, S.A.	Rosario Norte N°407, Las Condes Santiago, (Chile)	Toll road concession operator	Kpmg	80.00%	Vias Chile	39,201	(67,977)	15,298
Operavias, S.A.	Rosario Norte N°407, Las Condes Santiago, (Chile)	Upkeep, management and operation of transport infrastructure	Kpmg	80.00%	Vias Chile	4,675	15,808	4,398
Sociedad Concesionaria Autopista Central, S.A.	San Bernardo 1145, comuna San Bernardo 8071144 (Chile)	Toll road concession operator	Kpmg	80.00%	Vias Chile	84,770	(20,034)	144,230
Sociedad Concesionaria Autopista Los Libertadores, S.A.	Rosario Norte N°407, Las Condes Santiago, (Chile)	Toll road concession operator	Kpmg	80.00%	Gesa/ Vias Chile	18,047	61,199	20,901
Sociedad Concesionaria Autopista del Sol, S.A.	Rosario Norte N°407, Las Condes Santiago, (Chile)	Toll road concession operator	Kpmg	80.00%	Gesa/ Vias Chile	5,483	7,483	(5,484)

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

#### Through Holding d'Infrastructures de Transport, S.A.S. (1):

SANEF S.A. (Sociétés des Autoroutes du Nord-Est de la France)	30, Boulevard Galliéni 92130 Issy-les- Moulineaux (France)	Toll road concession operator	Kpmg	100%	Holding d'Infrastructures de Transport, S.A.S	53,090	726,341	616,287
SAPN S.A. (Société des autoroutes Paris-Normandie)	30, Boulevard Galliéni 92130 Issy-les- Moulineaux (France)	Toll road concession operator	Kpmg	99.97%	Sanef	14,000	246,272	148,784
Bip&Go S.A.S.	30, Boulevard Galliéni 92130 Issy-les- Moulineaux (France)	Electronic toll device distributor	Kpmg	100%	Sanef	1	(1,487)	9,920
Leonord, S.A.S	Immeuble First Part Dieu - 2 avenue Lacassagne - 69003 LYON, (France)	Management of operating contracts	Other auditors	35.00%	Sanef	697	171	149
Leonord exploitation, S.A.S	Chemin de la Belle Cordière, 69300, Caluire-et-Cuire (France)	Management of operating contracts	Kpmg	85.00%	Sanef	40	9	(3)
SE BPNL	30, boulevard Gallieni, 92130 Issy- les-Moulineaux, (France)	Maintenance, operation and upkeep of roads	Kpmg	100%	Sanef	40	155	426
Routalis S.A.S.	11, avenue du Centre 78280 Guyancourt. (France)	Management of terrestrial transport infrastructure	Kpmg	30.00%	Sapn	40	4	429
Sanef 107.7 SAS	30, Boulevard Galliéni 92130 Issy-les- Moulineaux (France)	Sound broadcasting service operator	Kpmg	100%	Sanef	15	912	306

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

#### Through Abertis Mobility Services, S.L. (1):

Emovis S.A.S.	86, rue Henry Farman 92130 Issy-les- Moulineaux (France)	Toll road systems operator and provider	Kpmg	100%	Abertis Mobility Services	11,782	31,737	14,256
AMS Mobility Services Spain, S.L.	Av. Pedralbes, 17 Barcelona	Toll road systems operator and provider	Kpmg	100%	Abertis Mobility Services	-	-	-
Emovis US Inc.	1600 Stewart Avenue, Westbury New York (USA)	Toll road operator	-	100%	Abertis Mobility Services	27	-	-
AMS Operations UK, Ltd.	St John Offices, Albion Street, Leeds (UK)	Processing of toll road transactions	Kpmg	100%	Abertis Mobility Services	-	-	-
Emovis Operations Ireland Ltd	2nd Floor Cape House, Westend Office Park, Blanchardstown, Dublin 15 (Ireland)	Toll road operator	Kpmg	100%	Emovis SAS	-	1,520	310
Emovis Operations Mersey Ltd	Hornbeam House, Hornbeam Park, Hookstone Road, Harrogate (UK)	Toll road operator	Kpmg	100%	Emovis SAS	-	678	583
Emovis Technologies US, Inc.	The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, Maryland 21093- 2264, USA	Toll road systems provider	Kpmg	100%	Emovis SAS	1	3,161	789
Emovis Technologies UK Limited	7th Floor, 20 St Andrew Street, London, EC4A 3AG	Toll road systems maintenance	Kpmg	100%	Emovis SAS	147	769	(11)
Emovis Technologies Chile S.A.	El Rosal 4557 Huechuraba Santiago (Chile)	Toll road systems maintenance	Kpmg	100%	Emovis SAS	561	(133)	(44)

**ABERTIS INFRAESTRUCTURAS, S.A.**

Appendix to the notes to annual accounts for 2022  
(in thousands of euros)

Emovis Technologies d.o.o.	Lovacki put 1a HR-21000 Split (Croatia)	Toll road systems provider	Kpmg	100%	Emovis SAS	314	541	152
Emovis Technologies Ireland Limited	c/o UHY FDW Corporate Compliance Ltd, FDW House, Blackthorn Business Park, Coes Road, Dundalk, Co. Louth, Ireland A91 RW26	Toll road systems maintenance	Kpmg	100%	Emovis SAS	-	580	38
Emovis Operations Leeds (UK)	St John Offices, Albion Street, Leeds LS2 8LQ (UK)	Toll road operator	Kpmg	100%	Emovis SAS	-	4,622	1,640
Emovis Technologies Québec, Inc.	3700-800 Place Victoria Montréal Québec H4Z1E9 (Canada)	Toll road systems operator	Kpmg	100%	Emovis SAS	-	(46)	(5)
Emovis TAG Limited (UK)	St John Offices, Albion Street, Leeds LS2 8LQ (UK)	Marketer of tags in the UK	Kpmg	100%	Emovis SAS	-	307	694
Emovis Chile, Spa	El Rosal 4557 Huechuraba Santiago (Chile)	Toll road systems operator	Kpmg	100%	Emovis SAS	199	17	46
Emovis Operations Puerto Rico, Inc.	The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, Maryland 21093-2264, USA	Toll road systems operator	Kpmg	100%	Emovis Technologies US, Inc.	1	1,012	346

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

#### Through Abertis Internacional:

Abertis India, S.L.	Paseo de la Castellana, 89, Madrid	Holding company	Kpmg	100%	Abertis Internacional	16,034	78,363	12,469
Abertis India Toll Road Services LLP	Express Towers, 03rd Floor, Nariman Point, Mumbai - 400 021, India	Holding company	Kpmg	100%	Abertis Internacional/ Abertis India	2,099	(661)	182
Trichy Tollway Private Limited (TTPL)	3rd Floor, 'C' Block, TSR Towers, 6-3-1090, Rajbhavan Road, Hyderabad - 500082, Telangana, India	Toll road concession operator	Other auditors	100%	Abertis India	22,115	(16,607)	5,673
Jadcherla Expressways Private Limited (JEPL)	3rd Floor, 'C' Block, TSR Towers, 6-3-1090, Rajbhavan Road, Hyderabad - 500082, Telangana, India	Toll road concession operator	Other auditors	100%	Abertis India	23,885	4,008	7,732
Abertis Italia S.r.l.	Via Flavio Gioia 71, Verona	Holding company	Kpmg	100%	Abertis Internacional	341,000	171,055	(15,113)
A4 Holding S.p.A.	Via Flavio Gioia 71, Verona	Holding company	Kpmg	91.26%	Abertis Italia	134,110	343,265	60,689
Autostrada Bs Vr Vi Pd SpA	Via Flavio Gioia 71, Verona	Toll road concession operator	Kpmg	91.26%	A4 Holding S.p.A.	125,000	431,128	57,864
Serenissima Partecipazioni S.p.A	Via Flavio Gioia 71, Verona	Construction and maintenance	Kpmg	91.26%	A4 Holding S.p.A.	2,314	44,498	(725)
A4 Trading S.r.l	Via Flavio Gioia 71, Verona	Parking facility maintenance and development consulting services	Kpmg	91.26%	A4 Holding S.p.A.	3,700	6,998	1,551
Globalcar Services S.p.a.	Via Alberto Dominutti 5, Verona	Lease of vehicles	Kpmg	91.26%	A4 Holding S.p.A.	500	6,030	962

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

A4 Mobility S.r.l.	Via Flavio Gioia 71, Verona	Maintenance, operation and upkeep of infrastructure	Kpmg	91.26%	A4 Holding S.p.A.	100	48,946	7,451
Mulhacen S.r.l.	Via Flavio Gioia 71, Verona	Preparation of insolvency agreement proposals	Kpmg	91.26%	A4 Holding, S.p.A.	10	68	-

#### Through Partícipes en Brasil (1):

PDC Participações, S.A.	Avda Presidente Juscelino Kubitschek, 1455. 9º Andar- CEP 04543-011- São Paulo/ SP (Brazil)	Operation of concessions	Kpmg	51.00%	Partícipes en Brasil, S.A.	107,928	(71)	(8)
Partícipes en Brasil II, S.L.	Paseo de la Castellana 89, Madrid	Construction, upkeep and operation of toll roads under concession arrangements, or just their upkeep and operation and, generally, the management of road concessions in Spain and abroad	Kpmg	51.00%	Partícipes en Brasil, S.A.	3	426,549	(207,415)
Arteris Brasil, S.A.	Avda Presidente Juscelino Kubitschek, 1455. 9º Andar- CEP 04543-011- São Paulo/ SP (Brazil)	Holdings of non- financial institutions	Kpmg	41.97%	Partícipes en Brasil II/ PDC Participações, S.A.	949,499	385,825	29,756
Arteris Participações, S.A.	Avda Presidente Juscelino Kubitschek, 1455. 9º Andar- CEP 04543-011- São Paulo/ SP (Brazil)	Holding company	Kpmg	41.97%	Arteris Brasil, S.A.	13,096	(23,337)	23,830

## ABERTIS INFRAESTRUTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

Autovías, S.A.	Rodovia Anhanguera- SP 330 Km 312,2- Pista Norte- CEP 14079-000 (city) Ribeirão Preto – (state) SP. (Brazil)	Construction and operation of dual carriageway in São Paulo (Brazil)	Kpmg	41.97%	Arteris Brasil, S.A.	22,640	9,531	1,787
Centrovias Sistemas Rodoviários, S.A.	Rodovia Washington Luis, KM 216,8 - Pista Sul - CEP 13530-000 - Itirapina - SP (Brazil)	Construction and operation of dual carriageway in São Paulo (Brazil)	Kpmg	41.97%	Arteris Brasil, S.A.	17,522	22,065	2,046
Concessionária de Rodovias do Interior Paulista, S.A.	Rodovia Anhanguera- SP 330 Km 168 - Pista Sul- CEP 13602- 040 (city) Araras – (state) SP. (Brazil)	Construction and operation of dual carriageway in São Paulo (Brazil)	Kpmg	41.97%	Arteris Brasil, S.A./ Arteris Participações, S.A.	22,989	(5,148)	31,294
Vianorte, S.A.	Rodovia Atílio Balbo - SP 322 - km 327,5 - Praça Pedágio - Sertãozinho - SP - CP 88 - CEP - 14173 - 000. (Brazil)	Construction and operation of dual carriageway in São Paulo (Brazil)	Kpmg	41.97%	Arteris Brasil, S.A.	19,073	4,183	1,641
ViaPaulista, S.A.	Rodovia Anhanguera- SP 330 Km 312,2- Pista Norte- CEP 14079-000 (city) Ribeirão Preto – (state) SP. (Brazil)	Road construction and operation	Kpmg	41.97%	Arteris Brasil, S.A.	239,135	18,285	7,502
Autopista Planalto Sul, S.A.	Avda. Afonso Petschow nº 4040 - Bairro Industrial - Rio Negro - CEP 83880- 000 – (Brazil)	Road construction and operation	Kpmg	41.97%	Arteris Brasil, S.A.	195,010	(54,801)	(5,717)
Autopista Fluminense, S.A.	Rua XV de Novembro, nº4- sala 901, Torre Sul- Shopping Plaza Niterói- RJ- CEP 24466-315 (Brazil)	Road construction and operation	Kpmg	41.97%	Arteris Brasil, S.A.	183,519	(55,990)	(217,585)

## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

Autopista Fernão Dias, S.A.	Rodovia BR-381, km 850,5 - Pista Norte - CEP 37550-000 - Bairro Ipiranga - Pouso Alegre - MG (Brazil)	Road construction and operation	Kpmg	41.97%	Arteris Brasil, S.A.	268,433	(57,210)	(89,833)
Autopista Régis Bittencourt, S.A.	Rodovia SP 139, nº 226, Bairro Sao Nicolau - CEP 11900-000 - Registro - SP (Brazil)	Road construction and operation	Kpmg	41.97%	Arteris Brasil, S.A.	169,508	(18,705)	(6,965)
Autopista Litoral Sul, S.A.	Rua Francisco Muñoz Madrid, nº625 módulos 402.2 e 403, bloco 4, Condomínio Portal do Porto, Bairro Roseira- CEP 83070-152 São José dos Pinhais- PR (Brazil)	Road construction and operation	Kpmg	41.97%	Arteris Brasil, S.A.	310,094	(9,462)	(9,745)

#### Through Infraestructuras Viarias Mexicanas:

Red de Carreteras de Occidente, S.A.B de C.V.	Av. Américas No.1592 Piso 4, Colonia Country Club, C.P.44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Infraestructuras Viarias Mexicanas	16,205	18,888	208,431
Prestadora de Servicios RCO, S. de R. L. de C.V.	Av. Américas No.1592 Piso 4, Colonia Country Club, C.P.44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Red de Carreteras de Occidente	-	3,168	958
RCO Carreteras, S. de R.L. de C.V.	Autopista Guadalajara - Zapotlanejo Km. 9+000, C.P. 44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Red de Carreteras de Occidente	240	859	628



## ABERTIS INFRAESTRUCTURAS, S.A.

### Appendix to the notes to annual accounts for 2022 (in thousands of euros)

Concesionaria de Vías Irapuato Querétaro, S.A. de C.V.	Av. Américas No.1592 Piso 4, Colonia Country Club, C.P.44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Red de Carreteras de Occidente	58,817	50,890	39,895
Concesionaria Irapuato La Piedad, S.A. de C.V.	Av. Américas No.1592 Piso 4, Colonia Country Club, C.P.44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Red de Carreteras de Occidente	12,678	10,749	8,043
Concesionaria Tepic - San Blas, S.A. de C.V.	Av. Américas No.1592 Piso 4, Colonia Country Club, C.P.44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Red de Carreteras de Occidente	12,964	1,601	2,059
Autovías de Michoacán, S.A. de C.V.	Av. Américas No.1592 Piso 4, Colonia Country Club, C.P.44610, Guadalajara, Jalisco	Toll road concession operator	Kpmg	53.12%	Red de Carreteras de Occidente	24,165	1,361	1,328

#### Through Abertis USA:

Virginia Tollroad TransportCo LLC	152 Tunnel Facility Dr, Portsmouth, Virginia 23707, USA	Holding company	Kpmg	55.20%	Abertis USA HoldCo	1,179,126	(3,835)	(119)
Elisabeth River Crossings Holdco, LLC	152 Tunnel Facility Dr, Portsmouth, Virginia 23707, USA	Toll road concession operator	Kpmg	55.20%	Virginia Tollroad TransportCo	181,476	-	(13)
Elisabeth River Crossings Opco, LLC	152 Tunnel Facility Dr, Portsmouth, Virginia 23707, USA	Toll road concession operator	Kpmg	55.20%	Elisabeth River Crossings Holdco	181,353	(170,361)	(13,555)

(\*) Including valuation adjustments and excluding non-controlling interests.

(1) Information in accordance with IFRSs.

(2) The shares of Ausol are listed on the Buenos Aires Stock Exchange. The average market price in the last quarter of 2022 was ARS 259.6. At year-end the market price was ARS 359.5. 49.92% of the voting rights are held.

*Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.*

**ABERTIS INFRAESTRUCTURAS, S.A.**

Appendix to the notes to annual accounts for 2022  
(in thousands of euros)

(3) The shares of GCO are listed on the Buenos Aires Stock Exchange. The average market price in the last quarter of 2022 was ARS 72.94. At year-end the market price was ARS 103.

(4) Information not available at 31 December 2022.

(5) Latest information available at 31 December 2020.

## ABERTIS INFRAESTRUCTURAS, S.A.

### 2022 directors' report

## 2022 DIRECTORS' REPORT

### 1. Company information:

#### Abertis in 2022

**Abertis** is a worldwide authority in toll road management, managing close to 7,700 km of high-capacity, high-quality roads in 15 countries in Europe, the Americas and Asia, of which approximately 7,600 km are managed directly.

**Abertis** is a leading toll road operator in countries such as France, Spain, Chile, Brazil, Mexico and in Puerto Rico.

Abertis Infraestructuras, S.A. is the Parent of a Group in which, in some cases, it is the sole shareholder and, in others, the majority shareholder of holding companies in the various lines of business and geographical markets in which the Group operates. The structure of the **Abertis** Group at 31 December 2022 is summarised as follows:



The details of the Group companies directly and indirectly owned by **Abertis** at 31 December 2022 and the respective percentage ownership it holds are shown in Appendix I to the consolidated annual accounts.

Since 2018 **Abertis** and the other Group companies have formed part of the Atlantia Group, headed by Atlantia, S.p.A. (with registered office at Piazza San Silvestro, 8, 00187 Rome, Italy). The latter, in turn, forms part of the group the parent of which is Edizione, S.r.l. (with registered office at Piazza del Duomo, 19, Treviso, Italy).

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

#### **2022 milestones**

##### January-March

- Consolidation of a governance structure for the Sustainability Strategy 2022-2030 that involves all governance bodies and ensures a comprehensive perspective, integrating the specific features of local situations, with the Audit and Control and Sustainability Committee, the Sustainability Committee and the governance model of the business units.
- Participation of Autopistas España in the First Risk Observatory for Spanish Businesses of the Instituto Cerdà in Madrid, with a presentation on the main mobility challenges of the future, with the aim supporting decision-making in businesses.
- HIT, the French subsidiary of **Abertis**, successfully places a EUR 1,000 million issue of nine-year bonds with a coupon of 1.475%. The funds have been used to prepay EUR 1,000 million of a bank loan in Sanef, which accrue a high fixed-interest rate. This transaction brought the cost of debt of the HIT group down from 2.3% to 1.6% and lengthened the average maturity of the debt from 4.5 to 5.8 years.
- Arteris places a BRL 1,000 million (EUR 177 million) issue of five-year bonds.
- Elizabeth River Crossing Opco (ERC), United States subsidiary of **Abertis**, successfully closes a series of tax-exempt bonds worth USD 572 million (EUR 536 million) with an average maturity of 14 years. The bonds were paid above par, generating a paid-in surplus of USD 54 million (EUR 51 million). The bonds allow the company to amortise early USD 626 million (EUR 601 million) of an existing series of tax-exempt bonds, reducing its borrowing costs from 5.6% to 3.9%.
- **Abertis** prepays EUR 485 million of bank debt scheduled to come due in 2024.
- **Abertis** executes an interest rate hedging plan of EUR 3,600 million to guarantee the future rates on its bond issues between 2024 and 2027.
- The installation of more than 500 electric vehicle charging stations at Sanef service stations is awarded to four operators.
- Work begins to implement a free-flow system on the A-14 toll road, projected to come into service in 2024, along with organisational changes in Sanef to adapt the organisation to the future free-flow model (January 2022).
- The Global Gathering is held, the international meeting of leading **Abertis** executives to discuss the Group's goals.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

#### April-June

- **Abertis** renews its alliance with UNICEF for another four years, with a focus on fostering more sustainable and safer mobility for children and youngsters.
- Formal start of technical office tasks to monitor the actions of the first Environmental, Social and Governance (ESG) Plan for 2022-2024 in the business units.
- Startup of a supplier risk management project using a common tool for the entire Group. The cloud platform evaluates suppliers with ESG criteria, as well as cybersecurity, occupational health and safety, and road safety aspects, amongst others.
- **Abertis** formalises and announces the sustainability-linked financing framework, with the inclusion of the opinion of an external assessment agency with expertise in the area.
- **Abertis** shareholders vote to reduce share capital by EUR 602 million, by decreasing the nominal value of the shares, with a return of contributions to shareholders.
- HIT executes an interest rate hedging plan for EUR 600 million to guarantee the future rates on its bond issues in 2025 and 2026.

#### July-September

- The first Global Sustainability Meeting is held in Barcelona, bringing together the heads of the Sustainability areas of the business units to work on ESG and sustainability issues.
- **Abertis** complements its interest rate hedging plan with EUR 391 million to lock in future rates for its bond issues in 2024.
- Deployment of a new traffic management system in Autopista Central (Chile).
- New operating centre model implemented in RCO (Mexico), with the aim of centralising traffic management in all of the concessions (FARAC, COTESA and AUTOVIM).
- Deployment of the new innovation governance model for the Group and startup of the Innovation Observatory to anticipate disruptive changes and spot business opportunities.

#### October-December

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

- 'We have a plan': creation of a new plan tied into the Sustainability Strategy 2022-2030 and to the ESG Plan.
- Maintenance of ESG performance ratings from external evaluation agencies.
- Start of participation in the Sustainable Suppliers Training Programme led by the United Nations Global Compact in Spain.
- Approval of the Group Standard for Registration and Evaluation of Suppliers in line with the Group's ESG Plan.
- Arteris, through its subsidiary Fernão Dias, places a BRL 1,000 million (EUR 177 million) issue of nine-year bonds.
- The **Abertis** Shareholders' Meeting approves a non-cash contribution to the company's capital of EUR 1,000 million by its majority shareholder Abertis HoldCo, via the conversion of a credit right it held against the company. Through this contribution, **Abertis** Infraestructuras, S.A. has novated EUR 1,000 million of its bank debt to Abertis HoldCo, S.A., securing the full amount.
- AMS is recognised for its diversity and inclusion policy by the International Bridge, Tunnel and Turnpike Association (IBTTA).
- First Global Technical Meeting is held, with the participation of the heads of the Technology, Operations, Capex, Innovation and Processes and Organisation areas of all business units to share the main projects in those areas and discuss the primary business challenges and future prospects.
- Launch of the Future Road LAB for the digitisation of infrastructure and the construction of future connected, cooperative and autonomous mobility, together with the main players in the sector.

### **Strategic approach**

The 3-year Strategic Plan for 2022-24 was approved in 2021. The Plan seeks to create value based on the following three pillars: (i) growth platform, (ii) operational excellence and (iii) sustainability and innovation.

#### i) Growth platform

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

**Abertis'** goal is to consolidate its position as leading operator in the countries where it is present; it is expected that in the coming years the company will be able to participate and grow with new projects and/or concessions, as well as expansion of existing concessions in exchange for new investments. The focus will still be on countries with a good project pipeline and moderate risk, profitable opportunities, a robust and effective regulatory framework and the right conditions to fulfil its ESG objectives.

The Group will continue channelling its energies into international growth by searching for new opportunities to acquire assets. The know-how acquired by **Abertis** thanks to its track record allows it to participate in projects located in countries where it does not yet have a presence in order to develop new platforms those countries, especially in its traditional markets (Europe and North America).

#### ii) Operational excellence

The main business challenges for the 3-year period from 2022 to 2024 are: 1) progressive adaptation of our infrastructures to the new needs of government administrations and users; 2) transitioning from traditional tolls to barrier-free free-flow systems, which implies a transformation of operations; 3) optimising the management of toll roads through intensive use of ITS technology (information on traffic and accidents and weather conditions); 4) integrating sustainability aspects into all processes to comply meet the charted ESG objectives; and 5) providing new services that create value for our customers.

All of this while the Group continues to work to mitigate the inherent risks of our business and improve the resilience of our companies through plans focused on crisis management, business continuity, cybersecurity and sustainability.

The Group's 2022-24 Plan defined the fourth 'Efficiencies and Performance Plan' in order to continue harvesting synergies and maximising cash flow, with a focus on improving collectibility, optimising processes and mitigating operational risks. This fourth Plan is mainly concentrated on France, Chile and Spain and envisages cumulative savings of approximately EUR 173 million.

#### iii) Sustainability, innovation, cybersecurity and compliance

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

#### Sustainability

The Sustainability Strategy 2022-2030 and its associated first ESG Plan for 2022-2024 formally came into effect during 2022. The ESG Plan technical office began its work to oversee proper implementation of the actions envisaged in the Plan, in addition to consolidating the requisite governance structure spanning all corporate areas, together with the business units and the Board of Directors of the Group.

All of the actions contemplated by the ESG Plan 2022-2024 have been initiated and significant advances made in areas involving specific sustainability training for management teams and for the Corporation's personnel. Progress was also made in formalising specific contracts to acquire electricity from renewable sources, planning fleet migrations and installing electric vehicle charging stations, and in the specific study of the potential opportunities associated with new construction and maintenance processes, as well as in the use of materials with lower environmental impact. In addition, variable remuneration schemes have been set up for executive positions and managers tied to the sustainability performance objectives; the supplier sustainability evaluation project was launched, initially with the participation of critical suppliers; and an analysis was completed of the human rights impact in all activities and countries where **Abertis** operates in relation to the due diligence process. A detailed description of the monitoring of the actions pursued and results obtained is contained both in this Directors' Report and in the accompanying Sustainability Strategy 2022-2030 Monitoring Appendix.

The mission of the Sustainability Committee is to ensure a comprehensive, integrated approach to managing and implementing environmental, social and good governance aspects (ESG) in the Group's activity. It met a total of six times during 2022 and addressed a diversity of issues, including legislative advances in sustainability and the methodological developments associated with the new universal GRI-SRS standards and with the EFRAG recommendations related to the Corporate Sustainability Reporting Directive (CSRD), monitoring progress in the specific projects comprised by the ESG Plan, projects pursued in formal evaluation of ESG risks and the analysis of the results by analysts and agents specialised in ESG issues at the international level.

Also of note in 2022, **Abertis** defined and announced a "Sustainability-Linked Financing Framework" that marks a major step toward aligning both the



## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

Group's business and the funding strategy with the Sustainability Strategy 2022-2030. The sustainability-linked financing framework has been reviewed by Sustainalytics and developed as a global tool to be applied to all sustainability-linked funding instruments that **Abertis** may issue in the future. The Group has selected basic Key Performance Indicators (KPI) and ambitious Sustainability Performance Targets (SPT) to support sustainability-linked transactions, specifically: Scope 1 and 2 Greenhouse Gas Emissions (GGE) in absolute terms, Scope 3 GGE related to the purchase of goods and services in relative terms (in tCO<sub>2e</sub> per million km travelled by users of the infrastructures managed by **Abertis**), and the number of electric vehicle charging stations installed in the infrastructures.

#### Innovation

For **Abertis**, coming up with new ideas and solutions is of strategic importance, not just in technology but for all areas of the Group's activity, and is a means of conceiving new ways of operating ever cleaner, more comfortable, smarter and safer mobility infrastructure.

Innovative activity must continue giving the Group competitive advantages and creating value for its shareholders, partners, customers, employees and society in general.

Innovation objectives must be aligned with the company's strategic lines and placed at the service of the other value-creation pillars described in this section: growth (through the development of competitive advantages and exploration of business models adjacent to the Group's core business), operational excellence (seeking to enhance road safety and optimise operating costs) and sustainability (promoting aspects related to energy transformation and resilience to climate change in all projects undertaken).

All of this is without overlooking the necessary upgrading of infrastructures for a near-term future marked by the advent of connected vehicles and much more sustainable mobility. The strategic objectives in innovation include facilitating the digital and energy transitions.

#### Cybersecurity

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

Prevention and resilience vis-à-vis security events that can affect the business activity is one of Abertis' prime objectives. The Group thus includes information cybersecurity as one of the pillars in the evolution and adaptation of the business infrastructures and technologies.

**Abertis** regards cybersecurity as an essential element at all levels of management (strategic, tactical and operational). The protection of information is thus applied on a default basis in the design of the business via a strategy based on the needs of the business, effective risk management and use of the metrics provided by the control systems and services.

Based on a control framework aligned with international standards, methodologies and good practice such as NIST, ISO/IEC 27001, ISO/IEC 27701, ISO/IEC 62443 or CIS Controls, **Abertis** has charted a 3-year ESG plan (2022-24) in which it strives to continue optimising, both from a governance and a technical standpoint, its capacities to prevent and detect threats, as well as to respond to events that may entail risk for the Group's activity.

Thus, during the coming years, the Group will continue investing to be at the forefront of the changes and needs in the cybersecurity panorama, to anticipate the risks that could affect its business information, to have trained and aware employees who work the protection of information into their day-to-day activity, and to create alliances with other players to enhance the efficiency of security measures and controls.

#### Compliance

The aim of the 3-year plan is to oversee business ethics and compliance with the national legislation that applies to each business unit in the Group on environmental, social and governance questions, with a focus on the prevention of corruption; as well as other conducts that could entail criminal liability; environmental law; prevention of occupational hazards; intellectual property rights and protection of personal and business data.

## **2. Corporate governance**

The structure of the governing bodies and the decision-making process constitute other strengths of the Group.

The **Abertis** governance model is based on the Board of Directors and its committees, the Audit and Control and Sustainability Committee and the Nomination and Remuneration Committee, and the top priorities are

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

excellence in good governance, promoting sustainability and good corporate governance practices.

The Board of Directors is composed of the following members:

- Marcelino Fernández Verdes. Chairman.
- Francisco José Aljaro Navarro. CEO.
- Carlo Bertazzo. Director.
- Claudio Boada Pallerés. Director.
- José Luis del Valle Pérez. Director.
- Ángel García Altozano. Director.
- Enrico Laghi. Director.
- Pedro José López Jiménez. Director.
- Giampiero Massolo. Director.

Miquel Roca Junyent, who is not a director, serves as Secretary of the Board of Directors.

### **3. Compliance and risk management**

#### **Risk management and control system**

The **Abertis** risk control strategy has been devised along the following three main lines:

- The mission, vision and values of the Group: pillars underpinning the Group's sustainable and efficient growth, based on developing the company's infrastructures in harmony with the well-being of employees and the creation of long-term value for shareholders and with the values of commitment, transparency, consistency and simplicity.
- The **Abertis** corporate strategic guidelines; transparency, good governance, sustainable growth, financial discipline, prudence, best practices in managing toll roads).
- Analysis of the risk's criticality according to its type and the country where the activity is pursued.

The **Abertis** Risk Management and Control Policy lays down basic norms for identifying the main risk factors to which the Group is exposed, and charts a common methodology for identifying and assessing risks, along with a systematic approach to monitoring those risks, with the goal of implementing the most appropriate actions for achieving the company's objectives. It is

## ABERTIS INFRAESTRUCTURAS, S.A.

### 2022 directors' report

designed to ensure the dissemination of an appropriate risk culture in the Group to ensure the importance of risk management at all levels of the organisation. In this regard, the role of risk management is to inspire and be integrated into the main business processes: strategic planning process and internal audit.

The main risks that can affect the achievement of the Group's main goals and the relevant control measures are:

Type of risk	Main risks	Control measures
Governance and reputational risks	<ul style="list-style-type: none"> <li>Organisational governance model</li> <li>Governance standards</li> <li>Loss of reputation</li> <li>Management of personnel, loss of talent, succession in key positions</li> </ul>	<ul style="list-style-type: none"> <li>Formalisation of roles and responsibilities</li> <li>Good governance practices, risk management, values systems, etc.</li> <li>Management of people and talent.</li> </ul>
Environment, strategy and growth-related risk	<ul style="list-style-type: none"> <li>Implementation of strategies and lack of quick response to change</li> <li>Integration of acquisitions</li> <li>Risk of climate change and natural catastrophes</li> <li>Slowdown in demand (traffic) and/or the economy</li> <li>Change and/or adjustment in concession terms</li> <li>Political and regulatory changes and social or legal instability</li> </ul>	<ul style="list-style-type: none"> <li>Internationalisation and selective growth policy and Investment Committees</li> <li>ESG considerations in due diligence processes for new acquisitions</li> <li>Insurance coverage</li> <li>Implementation of mitigation measures and climate change adaptation</li> <li>Cooperation with public authorities</li> <li>Continuous monitoring of ADT, traffic sensitivity analysis and tolls</li> <li>Monitoring of changes in the contractual and legal framework</li> <li>Coordination to ensure adequate compliance with the local legislation and anticipation of legislative changes</li> </ul>
Financial risks	<ul style="list-style-type: none"> <li>Breach of financial commitments and debt repayment obligations</li> <li>Interest rates</li> <li>Exchange rates</li> <li>Liquidity, refinancing and access to market (rating)</li> <li>Inflation</li> <li>Creditworthiness of customers and government agencies</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of contractual debt clauses</li> <li>Monitoring of interest rate and exchange rate management policy</li> <li>Monitoring and extension of debt maturities and scrutiny of potential impacts on credit rating</li> <li>Sensitivity analysis of interest rates and exchange rates</li> <li>Capex prioritisation</li> <li>Sustainability-linked financing framework</li> </ul>

**ABERTIS INFRAESTRUCTURAS, S.A.**

2022 directors' report

Type of risk	Main risks	Control measures
Industrial Risks	<ul style="list-style-type: none"> <li>• Reporting systems</li> <li>• Health and safety</li> <li>• Deterioration of infrastructures</li> <li>• Liability for environmental damages</li> <li>• Capex deviations in timing and costs</li> <li>• Breach of service quality in operations</li> <li>• Fraud associated with collections management</li> <li>• Risk management in relation to suppliers, cybersecurity and business continuity</li> <li>• External wrongdoing with company assets</li> </ul>	<ul style="list-style-type: none"> <li>• Business continuity and crisis management guidelines and plans</li> <li>• Cybersecurity plans</li> <li>• Road safety, operation and management system improvement plans (traffic, tunnels)</li> <li>• Investment programme monitoring and control (Opex and Capex Committees)</li> <li>• Environmental management systems</li> <li>• Specific control policies, procedures, plans and systems for each business area</li> <li>• Enterprise-wide ESG management of risks with suppliers</li> <li>• Risk monitoring and analysis and implementation of a corporate insurance programme</li> <li>• Physical and financial security guidelines</li> </ul>
Reporting and compliance risk	<ul style="list-style-type: none"> <li>• Financial and sustainability reporting</li> <li>• Tax compliance</li> <li>• Legislation and regulations</li> <li>• Code of ethics and conduct</li> <li>• Protection of sensitive information</li> </ul>	<ul style="list-style-type: none"> <li>• Organisational and supervisory model for Internal Control over Financial Reporting (ICFR) and Sustainability (ICSR) systems</li> <li>• Adoption of the Code of Good Tax Practices</li> <li>• Compliance model in place at the Group</li> <li>• ISO 37001 certification (implemented in Spain, under way in the rest of the Group)</li> <li>• Annual declaration of compliance with the code of ethics</li> <li>• Enterprise-wide management of risks with suppliers (ESG, Compliance)</li> </ul>

The key risks the Group has continued managing include those relating to political and social instability in some of the countries where it operates (mitigated by its internationalisation and geographical diversification) and to the reduction of the average life of its motorway concessions and end of certain concessions.

Although the Group's exposure to the direct risks produced by the war in Ukraine is limited, the materialisation of the indirect risks arising from the new macroeconomic environment has driven raw materials higher, increased energy prices, impacted the supply chain and increased cybersecurity risks, among other consequences, which are subject to continuous monitoring and management.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

In addition, the social context spawned by economic uncertainty and the post-pandemic social erosion also stand out as growing risk that demands continued monitoring in our business units.

The regulatory environment, with numerous emerging requirements, and the new trends and expectations of stakeholders (mainly relating to sustainability) are another focus of attention in the analysis of the Group's risks. In this connection, **Abertis** identifies and continuously monitors emerging regulations in order to get a head start on compliance and to align its strategy and activity with the developing rules.

#### **Management of ethics and legal risk**

**Abertis** has always been committed to carrying on its activities with honesty and integrity and in accordance with the law, and prided itself on its Code of Ethics.

Proper management of ethics and legal risk seeks to protect not just Group companies from any legal charges, but also its stakeholders.

The business units continue working to attain and maintain management systems certified to the ISO 37001 anti-bribery management system international standard.

The current situation in the business units with respect to ISO 37001 is as follows:

- Autopistas in Spain and the Corporation have once again renewed that certification for another year.
- Recently, Arteris in Brazil, A4 Holding in Italy, Isadak in India and Ausol and Gco in Argentina have been certified to that standard.

For its part, Vías Chile has renewed for the coming two years its certification per the Chilean model on prevention of criminal wrongdoing.

#### **4. Value creation in 2022**

##### **Balance sheet and profit and loss**

**Abertis'** financial statements reflect the effects of its investing activity and actions as the Group's parent from a balance sheet perspective (internal

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

financing and investments) and in terms of profit and loss (contribution through the dividends of the various investees and financing costs and overheads).

**Abertis'** balance sheet is basically comprised of the portfolio of ownership interests in companies, and the financing needed to acquire them through shareholders' equity or borrowings.

As a result of its investment activity, primarily in the concession businesses, **Abertis** is exposed to both regulatory and financial risks, the latter comprising foreign currency risk, credit risk, liquidity risk and cash flow interest rate risk. The Group's global risk management programme takes into account the uncertainty of financial markets and aims to minimise the potential adverse effects on the global profitability of the Group as a whole by establishing financing and hedging policies in line with the nature of its businesses.

In practice, this continues to translate into a sound financial structure, continuing with high average debt maturity (4.3 years at 2022 year-end compared with 5 years at 2021 year-end), and, in keeping with a policy to minimise exposure to financial risks, a high percentage of debt bears interest at fixed rates or at rates fixed through hedging (79% at 2022 year-end compared with 70% at 2021 year-end), greatly reducing the possible effects of constraints in the credit market, and keeping the average cost of the debt low (2.2% for 2022 and 1.6% for 2021).

**Abertis** took steps to optimise the Group's liquidity and reduce the finance costs associated with its borrowing by renegotiating in 2022 credit facilities amounting to EUR 1,576 million (2021: EUR 1,750 million). Accordingly, the volume of the credit facilities of Abertis Infraestructuras, S.A. at 31 December 2022 totalled EUR 2,994 million (2021: EUR 3,025 million).

The statement of profit or loss basically includes the results generated by the various Group companies by way the dividends policy, the corporation's overheads and financing costs, and the charge for the amortisation calculated on a straight-line basis over 10 years of the goodwill generated from the merger of Abertis Infraestructuras, S.A. and Abertis Participaciones, S.A.U. in 2019.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

#### **Main investments**

Total investment by the Group in 2022 amounted to EUR 839 million (with EUR 818 million disbursed during the year) and related primarily to investments in organic growth (EUR 696 million, 83% of the total investment). Key projects include:

- Increasing the capacity of the toll roads in Brazil at a cost of EUR 339 million.
- Improvements and expansion of the toll road network in France at a cost of EUR 157 million.

The Group's operating investment in 2022 totalled EUR 143 million (17% of the total).

The Group is continuing to focus its efforts on controlling operating expenses to improve efficiency and on investing in the development and expansion of the capacity of its own assets, as well as on the acquisition of new concessions.

#### **Credit quality management**

**Abertis** has a credit rating assigned by the rating agencies Standard and Poor's and Fitch Ratings.

At the date of formal preparation of these financial statements **Abertis** had a long-term "BBB" investment-grade adequate credit quality rating awarded by the international credit rating agency Standard and Poor's Credit Market Services Europe Ltd. Also, the short-term credit rating at that date was "A-3".

In addition, **Abertis** holds a long-term "BBB+" rating awarded by the international credit rating agency Fitch Ratings Ltd., and a short-term "F3" rating.

**Abertis'** policy is to maintain an investment-grade credit rating.



## **ABERTIS INFRAESTRUCTURAS, S.A.**

2022 directors' report

### **5. Safe and innovative toll roads**

One of **Abertis'** strategic priorities is to guarantee safe mobility on its expressways. The Group works along two lines of action toward that end: one is road safety, through a number of actions that address driving behaviour, infrastructure maintenance and traffic and road management, and the other is cybersecurity to prevent the service from being disrupted by security breaches in the road operating systems.

#### **Road safety**

The activity that **Abertis** carries on and the road safety expertise it has acquired make this a key area in which it can contribute the most added value to society. As has been the norm in recent years, the Group develops its road safety objectives pursuant to the "Vision Zero" philosophy, aligned with the international frameworks promoted by the United Nations and benchmarked to the values set out in the Second Decade of Action for Road Safety 2021-2030, which has set the goal of reducing the number of deaths and traumatic injuries on roads by 50% by 2030.

The **Abertis** strategy is predicated on integrated, proactive management of road safety. Through exhaustive processing and exploitation of the available information, the Group can chart high-level strategic lines and identify opportunities for action and continuous improvement that are eventually fleshed out in detailed plans of action. In addition, the exchange of know-how and training are key tools used by the Group to achieve a strong safety culture among all employees and business partners and to integrate the concern for road safety into all of the company's processes.

**Abertis**, through its action plans, works proactively on three main factors that shape road safety: the infrastructure, the user and the vehicle. The Group's commitment to investing in the continuous improvement of the toll roads, the maintenance activities on those motorways and on the equipment and systems involved in their operation, as well as the plans for managing traffic, incidents, emergencies, guarantee roadways with excellent levels of safety and comfort.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

An analysis of the data suggests that the human factor is the area with the most room for improvement. Therefore, the driver behaviour observatory exercises performed on the **Abertis** toll roads are used to promote awareness campaigns publicising the results of those studies and the preventive and educational actions carried out in coordination with diverse stakeholders with the aim of reducing the impact of the human factor in accident rates.

#### **Fluid and sustainable mobility**

The challenges that must be confronted to achieve more fluid and sustainable mobility are enormous. On the one hand, passenger and cargo transport is one of the leading generators of greenhouse gases and is thus a key sector for achieving the charted national and international emissions reductions targets. Also, those emissions are closely tracked by the main agents in the sector, not just out of concern for the air quality in cities, but also in order to adopt new mobility and digitisation models that will guide the different stakeholders in transitioning the mobility model.

**Abertis'** efforts to contribute to the decarbonisation of mobility are seen in all countries where it currently operates. The company has embraced its responsibility as engaged agent and now has greater maturity when it comes to designing solutions and goals to support decarbonisation.

The goal of reducing the environmental impact of traffic is achievable by means of upgrading infrastructures and migrating their management toward more sustainable models, enhancing efficiency in the use of resources and adopting technologies and industrial processes that are environmentally healthier and cleaner.

One effective lever for the achievement of these objectives is the acquisition of green electricity from 100% renewable sources (such as solar, wind and hydroelectric energy, etc.). While all of the Group's business units are working on developing such projects that favour the energy transition to a lower carbon footprint for the company, countries such as Argentina, where 100% of the energy acquired is now renewable, France, the USA, Brazil and Spain are already far along on this path. In the latter two countries, moreover, work is underway on self-supply, as in the case of Túnel, through the Greixa

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

MiniStation, and in Arteris' Fluminense and ViaPaulista concessions, with the installation of photovoltaic solar energy panels.

#### **Connected mobility**

In 2022 we saw a growing number of connected vehicles on our roadways. Access to vehicle data is now a reality and the potential for optimising infrastructure maintenance and mobility management are enormous.

But these vehicle connectivity capacities are still limited, in many cases rendering impossible the low-latency communication required, for example, by many road safety services. Further work is needed on innovation projects that facilitate the takeup of connected and, some day, autonomous vehicles that allow advanced traffic management strategies to be applied on a "native" basis.

**Abertis** is mindful of the paradigm shift implied by the capacity to communicate with vehicles and to access the data they collect and is boosting the resources it dedicates to developing those capacities. On the one hand, making connected mobility a reality requires upgrading transport and communication infrastructures through a cross-sector effort. On the other, the associated opportunities are huge and harvesting them will require a deep understanding of the anticipated changes.

#### **Research and development**

The Company has not carried out any research and development as such.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

2022 directors' report

### **6. Environmental matters**

Information on environmental matters is provided in the Statement of Non-Financial Information contained in the Director' Report included in the Consolidated Annual Accounts of Abertis Infraestructuras, S.A. and Subsidiaries.

### **7. Personnel**

#### i) Safety, health and welfare

Occupational safety and health is an especially important concern for **Abertis**, which has set the goal of zero deaths in on-the-job accidents, including both direct and indirect employees.

The risks involved in work on motorways require that **Abertis** have a very demanding system for control and monitoring of occupational safety. This importance is reflected in the inclusion of specific employee-safety objectives in the different variable remuneration schemes, both in the variable annual compensation and in the long-term incentive.

#### ii) Diversity, equality and inclusion

**Abertis** ensures a fair and inclusive work environment in which each person's contribution is valued. The Group fosters diversity in its hiring process, internal promotion and training and development programmes.

The Group's goals are non-discrimination and equal opportunity in all its actions, as laid down in the Code of Ethics, its Diversity, Equality and Inclusion Policy and also in its Sustainability Strategy.

#### iii) Professional development

Professional development is of material importance for the Group's activities, as it enhances work quality, helps foster and retain talent and boosts employee satisfaction. One of the main objectives in the human resources area is to ensure that the Group's employees have the appropriate motivation, experience, skill set, know-how and values to contribute to the Group's growth.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

2022 directors' report

### **8. Other disclosures**

As provided in Law 11/2018 of 28 December, and pursuant to the new wording of Article 262.5 of the Spanish Commercial Code, the Company is not required to present the Statement of Non-Financial Information.

#### **Use of financial instruments**

In 2022 and 2021, **Abertis** followed the policy on the use of financial instruments described in Note 10 of the accompanying notes to the financial statements.

#### **Treasury shares**

The treasury shares transactions disclosed in Note 12-a of the accompanying notes to the financial statements were performed during the year.

#### **Events after the reporting period**

There were no significant events after the reporting period other than those indicated in Note 20 to the accompanying financial statements.

#### **Foreseeable developments**

In 2023 **Abertis** has the goal of continuing to execute the three-year plan for 2022-24 focused on the creation of value on the basis of three pillars:

i) Growth platform

The goal is to consolidate Abertis' position as a leading operator in the countries where it operates, with the expectation of being able to participate in and grow through new projects and/or concessions, as well as the expansion of existing concessions in exchange for new investments.

The Group will continue channelling its energies into international growth by searching for new opportunities to acquire assets, especially in its traditional markets (Europe and North America).

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

In 2023, efforts will continue on maintaining a sound and optimised financial structure with a longer average debt maturity and minimising exposure to financial risks.

#### ii) Operational excellence

The Group will focus on several objectives, such as progressively adapting our infrastructures to the new needs of government administrations and users; the transition from traditional tolls to barrier-free free-flow systems; developing ITS technology that allows real-time information on the state of our roads; complying with sustainability goals through initiatives such as the electrification of the vehicle fleet, reviewing and improving waste management practices and promoting alternative energy efficiency and providing new services that create value for our customers.

All of this while the Group continues working to mitigate the inherent risks of the business and enhance the resilience of its companies through plans focused on crisis management, business continuity, cybersecurity and sustainability.

The Group will continue to make progress in the area of efficiency, building on the efforts made in recent years, not just at corporate level but also in the various business units. Specifically, it will follow the lines of action defined in the efficiency plan spanning the three-year period from 2022 to 2024, which focuses on improving EBITDA by optimising operating expenses, staff costs and revenue.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

#### iii) Sustainability, innovation, cybersecurity and compliance

Following the 2022-2024 ESG Plan will enable the objectives that should be the focus of attention to be identified and a continuation of the measures and actions needed to achieve the established goals. This first 2022-2024 ESG Plan prioritises work around good governance, with the establishment of teams dedicated to: sustainability and anti-corruption; reducing the carbon footprint; selecting construction materials that have a lower environmental impact during their life cycle; enhancing biodiversity along toll roads; improving road and workplace safety, equality and diversity; and the carrying out of local community-focused projects. In 2023, progress will need to be made with those projects in relation to the methodology for quantifying the impacts on biodiversity, and the pilot project on the consumption of recycled materials and options for enhancing toll road maintenance and construction processes, as well as consolidating the efforts to procure electricity from renewable sources and analyse the steps that need to be taken to ensure this happens.

Actions planned for the next two years include continuing to replace the fleet of traditional combustion engine vehicles with hybrid vehicles in more business units, such as Mexico. In order to save water, Chile is set to launch a dry landscaping project, selecting plants that need less water, and it is searching for technology that optimises water consumption. On the road safety front, India is drawing up a road map to ensure international road safety standards are reached in the concession. It plans to roll out new road safety signage that complies with the new standards of the Indian Roads Congress. In 2023, it plans to introduce speed controls using video cameras to reduce speeding on the toll road, and will install traffic calming measures in 2024 such as speed traps and raised pedestrian crossings. It is also planned that all business units will become SO 14001 compliant by 2024.

## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

Significant legislative changes are also expected in relation to the European Union's environmental taxonomy project, to the new Corporate Sustainability Reporting Directive (CSRD) and to the associated European standards, to the proposal for a Directive on improving the gender balance among non-executive directors of listed companies and related measures; as well as to the proposal for a Directive on corporate sustainability due diligence and to the proposal for a Directive on due diligence in human rights. By monitoring these developments, the organisation will be able to gradually adapt to them over the next two years in a way that satisfies both the regulators and the different stakeholders involved. The creation of a systematic and standardised carbon footprint calculation methodology that is aligned with the latest methodological developments and adjustment of the base year will round out the measures needed to ensure performance can be assessed on a like-for-like basis to ensure the organisation fulfils its commitments in this area.

Turning to innovation, the plans call for an increase in spending on initiatives that help improve how the business is managed, preparing road infrastructures for the new mobility challenges of the future, enhancing their sustainability and connectedness, and identifying new growth opportunities. Linkage with the ecosystem based on open and participatory innovation will also be strengthened.

In the near future, **Abertis** will continue to demonstrate its commitment to innovation, boosting spending on initiatives aligned with its strategic objectives. Specifically, **Abertis** will redouble its commitment to strategic analysis of the sector, involving more players in the ecosystem.

The Group will also strive to enhance its capacity to identify growth and innovation opportunities through initiatives involving, for example, the establishment of research programmes with universities and research centres, fostering greater collaboration with the entrepreneurial ecosystem, and launching new programmes to better involve Abertis' staff in the innovation process.

Of special note, **Abertis** will expand the work of its Future Roads Lab, which the Group intends to use to pilot technologies and services related with connected mobility and infrastructure digitalisation, and forge the partnerships needed to make this new mobility model a reality.



## **ABERTIS INFRAESTRUCTURAS, S.A.**

### 2022 directors' report

On the cybersecurity front, the initiatives included in the Master Plan (2022-24) will continue to be rolled out to develop the necessary security processes and capabilities, concentrating our defence framework on reducing the risks to which the Group is exposed, bolstering resilience, and investing in cyber security training and awareness-raising for all the Group's staff and collaborators.

The aim of the three-year compliance plan is oversight of business ethics; prevention of corruption and other conducts that could entail criminal liability for the Group companies; as well as compliance with the national legislation of each business unit in relation to (i) the environment, (ii) prevention of occupational hazards, (iii) intellectual property (iv) personal and business data, and (v) cybersecurity. The objectives set for 2023 are to start implementing the corrective measures needed for **Abertis** to acquire ISO 37301 certification and boost compliance in the business units.

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Madrid, 28 February 2023