



ANNUAL CORPORATE GOVERNANCE REPORT FOR OTHER ENTITIES -OTHER THAN SAVINGS BANKS, STATE BUSINESS ENTITIES AND PUBLIC ENTITIES- THAT ISSUE SECURITIES MARKETABLE ON OFFICIAL MARKETS

ISSUER'S PARTICULARS

END DATE OF REFERENCE FINANCIAL YEAR

31/12/2019

CIF: A08209769

ABERTIS INFRAESTRUCTURAS, S.A.

PASEO DE LA CASTELLANA, 39 MADRID

A. OWNERSHIP STRUCTURE

A.1. Detail of the entity's most significant shareholders or unitholders at year-end:

Name or corporate name of shareholder or unitholder	% of share capital
ABERTIS HOLDCO, S.A.	98.70

Company, which shareholders are Atlantia S.p.A., that holds an ownership interest of 50% plus one share, Actividades de Construcción y Servicios, S.A. (ACS) that holds an ownership interest of 30% and Hochtief A.G. that holds an ownership interest of 20% minus one share.

A.2. Indicate any relationships of a family, commercial, contractual or corporate nature existing between the significant shareholders or unitholders, insofar as they are known to the entity, unless they have scant relevance or arise from the ordinary course of business:

Name or company name of related parties	Type of relationship	Brief description
No data		

A.3. Indicate any relationships of a commercial, contractual or corporate nature existing between the significant shareholders or unitholders and the entity, unless they have scant relevance or arise from the ordinary course of business:

Name or company name of related parties	Type of relationship	Brief description
No data		

A.4. Indicate any restriction (in the bylaws or legislation or of any other nature) on the transfer of securities or voting rights. In particular, indicate the existence of any type of restriction that could hamper acquisition of control of the company through the purchase of its shares in the market, and those prior authorisation or communication regimes which are applicable to the company under industry legislation in relation to the acquisition or transfer of its financial instruments:

- Sí
 No

B. GENERAL MEETING OR EQUIVALENT BODY

B.1. List the quorums for convening the General Meeting or equivalent body established in the bylaws. Describe how these differ from the system of minimum quorums established in the Spanish Limited Liability Companies Law (LSC) or in the applicable legislation.

During this year 2019, the Company's bylaws have not been modified. As mentioned on the previous year, they have increased the quorums established in Articles 193 and 194 of the LSC.

Article 17 of the Company's bylaws establishes that the General Meeting, whether annual or extraordinary, is deemed to be validly convened at first call when the shareholders attending in person or by proxy hold at least eighty per cent (80%) of the subscribed share capital with voting rights plus two (2) shares.

The General Meeting is deemed to be validly convened at second call when the shareholders attending in person or by proxy hold at least fifty per cent (50%) of the subscribed share capital with voting rights. Durante este ejercicio 2019, no se han modificado los Estatutos Sociales de la Sociedad.

The quorums for convening the General Meeting indicated in article 17 of the Bylaws shall be applicable regardless of the matters to be dealt with in the Meeting.

Article 193 of the LSC establishes that the General Meeting of a public limited liability company is deemed to be validly convened at first call when the shareholders attending in person or by proxy hold at least twenty-five per cent (25%) of the subscribed share capital with voting rights, and that it is deemed to be validly convened at second call regardless of the capital of the attendees.

Article 194 of the LSC establishes the qualified quorum for convening the General Meeting in special cases, such as capital increases or reductions and any amendments to the Company bylaws, issues of debt instruments, the removal or limitation of new share pre-emption rights, etc., which will require at first call the attendance of shareholders in person or by proxy holding at least fifty per cent (50%) of the subscribed share capital with voting rights, and at second call at least twenty-five per cent (25%) of such capital.

B.2. Explain the system for adopting corporate resolutions. Describe how this differs from the system established in the LSC or in the applicable legislation.

Article 18 of the Company bylaws establishes that the resolutions are adopted by an absolute majority of the shares attending the General Meeting in person or by proxy, with one vote per share, except for the resolutions that must be approved by a greater majority in accordance with the Spanish Limited Liability Companies Law.

As an exception, the approval of resolutions relating to the following matters ("Reserved Matters"), when they must be submitted for the approval of the Company's General Meeting, require, in any case, the affirmative vote of at least sixty-five per cent (65%) plus one (1) share of the subscribed share capital with voting rights. The aforementioned Reserved Matters are the following:

- (i) amendment of the bylaws, including, but not limited to, any amendment of the structure of the managing body or of the number of members thereof, or any increase, reduction, variation or other change in the share capital
- (ii) the issuance of any security, equity instrument or equity-related instrument, or of any other synthetic security or instrument (such as, among others, convertible debentures);
- (iii) any merger, spin-off, segregation, transfer of assets and liabilities, international relocation of registered office or any other structural changes, except when such transactions only affect the Company and wholly-owned investees;
- (iv) a request for admission to listing, the launch of a public offering or the subscription of all or a portion of the shares of the Company or of a controlled company;
- (v) the distribution of dividends and/or reserves, when not performed at all times in line with the dividends policy approved by the Company's Board of Directors, and the approval of the amendment of the Company's dividends policy;
- (vi) any M&A transaction (i.e. acquisitions, sales or capital investments in assets or investments in projects) the amount of which, in aggregate terms for an annual period, exceeds eighty million euros (EUR 80,000,000);
- (vii) the approval or amendment of the financial or dividends policy of the Company and its Group; and
- (viii) any related-party transaction.

Article 201 of the LSC establishes that the corporate resolutions of public limited liability companies are adopted by means of a simple majority of the votes of the shareholders attending the General Meeting in person or by proxy. In this case, the majority required by Abertis Infraestructuras, S.A. is an absolute majority, while that established by the LSC is a simple majority.

Also, Article 201 of the LSC establishes that, for the resolutions referred to in Article 194 of the LSC (qualified quorum for convening the General Meeting in special cases described in the preceding section), if the capital attending or represented by proxy exceeds fifty per cent (50%), the resolution may be adopted by means of an absolute majority. However, the affirmative vote of two thirds of the share capital present in person or by proxy at the General Meeting is required when at second call there are shareholders in attendance representing twenty-five per cent (25%) or more, but less than fifty per cent (50%), of the subscribed share capital with voting rights.

B.3. Briefly indicate the resolutions adopted at the General Meetings or other equivalent bodies in the year to which this report refers, and the percentage of votes with which the resolutions were adopted.

Two General Meetings were held in 2019, one of which was ordinary and one was extraordinary.

First point of the agenda: The Merger balance sheets as of October 31, 2018 were examined and approved.

It was agreed to approve the Merger Balance sheets as of October 31, 2018 and drew up by Abertis Infraestructuras's Board of Directors on December 10, 2018 and verified by the auditors of the Company's financial statements.

This resolution was adopted by the affirmative vote of 99.9894% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Second point of the agenda: The Common Merger Plan between Abertis Infraestructuras, S.A. and Abertis Participaciones S.A.U. was examined and approved.

As it is established in article 40 of the Structural Modifications of Commercial Companies Law, the Common Merger Plan was approved in all its terms for the absorption of Abertis Participaciones, Sociedad Unipersonal (Absorbed Society) in favor of Abertis Infraestructuras S.A. (Absorbent Society), subscribed by the administration bodies of both Societies, according with article 30 and following of the Structural Modifications of Commercial Companies Law.

This resolution was adopted by the affirmative vote of 99.9894% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Third point of the agenda: Approval of the Common Merger Plan for absorption between Abertis Infraestructuras, S.A. (as Absorbent Society) and Abertis Participaciones, S.A.U. (Absorbed Society).

On 10 December 2018, the Boards of Directors of Abertis Infraestructuras, S.A. and Abertis Participaciones, S.A.U. approved the Common Merger Plan for absorption between Abertis Infraestructuras, S.A. (as Absorbent Society) and Abertis Participaciones, S.A.U. (Absorbed Society).

Moreover, the legal structure chosen to carry out the absorbent society businesses integration with the absorbed society, which is the opposite merger, which is characterised for the subsidiary absorbing the holding company.

This resolution was adopted by the affirmative vote of 99.8494% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Fourth point of the agenda: Information related with any important changes in the assets or liabilities of any of the societies related with the Merger, between the writing date of the Common Merger Plan and the General Shareholder's Meeting to approve the merger.

There were not any important modifications in the assets or liabilities of the Societies in this period.

This point of the agenda is simply informative.

CONTINUE IN SECTION G.1.

B.4. Indicate whether, at the General Meetings or meetings of equivalent bodies held in the year, there was any point of the agenda that was not approved by the shareholders.

At the General Meetings held in 2019 there was no point in the agenda that was not approved by the shareholders.

B.5. Indicate the address of, and how to access, the corporate governance information page on the entity's website.

The section entitled "The Group" on the www.abertis.com website provides the information on corporate governance.

The information on the website is provided in Spanish and English.

B.6. Indicate whether meetings of the different unions have been held, if any, of the holders of securities issued by the entity, the purpose of the meetings held in the year referred to in this report and main agreements adopted.

It is reported that there are no unions of securities holders issued by the entity and that, therefore, no meetings of such unions have been held.

C. ESTRUCTURA DE LA ADMINISTRACION DE LA SOCIEDAD

C.1. Board of Directors or managing body

C.1.1 Give details of the maximum and minimum number of directors or members of the managing body as established in the bylaws:

Número máximo de consejeros/ miembros del órgano	9
Número mínimo de consejeros/ miembros del órgano	5
Número de consejeros/miembros del órgano fijado por la junta o asamblea	5

The bylaws do not establish a maximum or minimum number of members of the Board of Directors, but simply establish in Article 21 that the Board of Directors shall be formed by 5 or 9 members.

C.1.2 Fill in the following table on the members of the Board or managing body, and their status:

Name or company name of director/member of the managing body	Representative	Most recent date of appointment
MARCELINO FERNÁNDEZ VERDES		10/12/2018
PEDRO JOSÉ LÓPEZ JIMÉNEZ		10/12/2018
FRANCISCO JOSÉ ALJARO NAVARRO		10/12/2018
CARLO BERTAZZO		10/12/2018
FABIO CERCHIAI		25/09/2019

C.1.3 Identify any Board or managing body members who hold office as directors, representatives of directors or executives at other entities forming part of the entity's group:

Name or company name of director/member of the managing body	Company name of group company	Position
FRANCISCO JOSÉ ALJARO NAVARRO	A4 HOLDING S.p.A.	DIRECTOR
FRANCISCO JOSÉ ALJARO NAVARRO	ARTERIS, S.A.	DIRECTOR
FRANCISCO JOSÉ ALJARO NAVARRO	AUTOPISTAS METROPOLITANAS DE PUERTO RICO, LLC	CHAIRMAN
DON FRANCISCO JOSÉ ALJARO NAVARRO	HOLDING D'INFRAESTRUCTURAS DE TRANSPORT 2, SAS (HIT 2)	CHAIRMAN
DON FRANCISCO JOSÉ ALJARO NAVARRO	VÍAS CHILE, S.A.	CHAIRMAN
DON FRANCISCO JOSÉ ALJARO NAVARRO	SOCIEDAD CONCESIONARIA AUTOPISTA CENTRAL, S.A.	DIRECTOR
DON FRANCISCO JOSÉ ALJARO NAVARRO	PARTICIPES EN BRASIL S.A.	CHAIRMAN

DON FRANCISCO JOSÉ ALJARO NAVARRO	INVERSORA DE INFRAESTRUCTURAS, S.A.	CHAIRMAN
DON FRANCISCO JOSÉ ALJARO NAVARRO	PARTICIPES EN BRASIL II, S.L.	ADMINISTRATOR DIRECTOR
DON FRANCISCO JOSÉ ALJARO NAVARRO	HOLDING D´INFRAESTRUCTURES DE TRANSPORT, SAS (HIT)	CHAIRMAN
DON FRANCISCO JOSÉ ALJARO NAVARRO	SANEF, S.A.	DIRECTOR

C.1.4 Fill in the following table with the information relating to the number of female directors sitting on the Board of Directors and its committees, as well the changes in this connection in the last four years:

	Number of female directors							
	Year t		Year t-1		Year t-2		Year t-3	
	No.	%	No.	%	No.	%	No.	%
Board of Directors	0	0.00	0	0.00	6	40.00	6	40.00
Audit and Control Committee		0.00		0.00	1	20.00	2	40.00
Appointments and Remuneration Committee		0.00		0.00	3	60.00	3	60.00

C.1.5 Indicate whether the company has diversity policies in relation to its managing and oversight bodies with regard to matters such as, for example, age, gender, disabilities and professional training and experience. Small and medium enterprises, in accordance with the definition in the Spanish Audit Law, must report, at least, the gender diversity policy that they have put in place.

- Yes
 No
 Partial policies

If "yes", describe this diversity policy, its objectives, the related measures, the manner in which it has been applied and the outcome of its implementation in the year. Also, the specific measures adopted by the managing body and the Appointments and Remuneration Committee to achieve a balanced and diverse presence of directors must be indicated.

The director selection and appointment policy approved by the Board of Directors on 15 December 2015 provides that the selection of candidates as directors shall be based on a prior analysis of the Company's needs, which must be conducted by the Board of Directors with the assistance of and a report from the Appointments and Remuneration Committee, if such a committee exists, with a view to including different professional and management experience and competencies, and promoting diversity of knowledge, experience and gender, considering the weighting of the various activities conducted by Abertis, and taking into account areas or sectors that require specific development.

During the year 2019, the director Mr. Giovanni Castellucci presented his resignation and on September 25, 2019, Mr. Fabio Cerchiai was appointed instead, taking into account said diversity policy. We briefly summarize his professional profile:

Fabio Cerchiai was born in Florence in 1944, has a degree in Economics from the University "La Sapienza" in Rome and holds the title of "Cavaliere del Lavoro".

He began his career at Assicurazioni Generali, where he was appointed Executive Director in 1997 and Vice President in 2001, positions he held until 2002. He has also held numerous positions on the Boards of Directors of the main insurance and financial companies both in Italy and in other countries .

He currently chairs several companies such as UnipolSai, Cerved Information Solutions, SIAT and ARCA Insurance Group. He is also a director of Edizione, the hlding that controls 30.25% of Atlantia. He also serves as an associate professor at the "Universidad Católica del Sagrado Corazón de Milán".

The members of the Board of Directors have been appointed taking into account their technical and professional competencies, their management experiences and their necessary commitment to the position. And all this with the objective to integrate experience and different professional and management competencies and to promote diversity of expertise and experience, considering the weight of the different activities carried out by Abertis and taking into account those areas and sectors that should be subject to specific impulse.

C.1.6 Complete the following table relating to the aggregate remuneration earned in the year by the directors or members of the managing body:

Type of remuneration	Thousands of euros	
	Company	Group
Fixed remuneration	1,200	26
Variable remuneration	832	
Attendance fees		
Other remuneration	1,260	
TOTAL	3,292	26

Other remuneration includes the liquidation of 1,200 thousand euros for the cancellation of the 2018-2020 Incentive Plan.

C.1.7 Identify any senior executives who are not also directors or executive members of the managing body and indicate the total remuneration paid to them during the year:

Name or company name	Position
ANNA BONET OLIVART	GENERAL MANAGER AUTOPISTAS ESPAÑA
JOSEP MARIA CORONAS GUINART	GENERAL SECRETARY
JOAN RAFEL HERRERO	DIRECTOR OF PEOPLE
MARTÍ CARBONELL MASCARÓ	CHIEF PLANNING AND CONTROL OFFICER
JORGE FERNÁNDEZ MONTOLÍ	CHIEF TECHNICAL OFFICER
SERGIO LOUGHNEY CASTELLS	DIRECTOR OF CORPORATE REPUTATION AND COMMUNICATION
ARNAUD QUEMARD	GENERAL MANAGER OF SANEF
GONZALO ALCALDE RODRÍGUEZ	GENERAL MANAGER A4 HOLDING
JULIÁN FERNÁNDEZ RODÉS	GENERAL MANAGER METROPISTAS
ANDRÉS BARBERIS MARTÍN	GENERAL MANAGER VIAS CHILE
JOSEP QUILES PÉREZ	GENERAL MANAGER ABERTIS INDIA
CHRISTIAN BARRIENTOS RIBAS	GENERAL MANAGER ABERTIS MOBILITY SERVICES
ANDRÉ ROGOWSKI	CHIEF FINANCIAL OFFICER

ESTEBAN PÉREZ	GENERAL MANAGER AUSOL Y GCO
ANDRÉ DORF	GENERAL MANAGER ARTERIS
ROSANA RAMÍREZ BIGORDA	INTERNAL AUDIT
SENIOR MANAGEMENT COMPENSATION (thousand euros)	9,538

The total remuneration amount indicated includes the remuneration of some members of the Management Board with do not have the same position on 31.12.2019, plus 2,500,000 euros due to the cancellation of the Incentives Plan 2018-2020. Related senior management members are only those who hold the position as of 31.12.2019.

C.1.8 Indicate whether the bylaws or Board Regulations set a limited term of office for the directors or members of the managing body:

- Sí
 No

C.1.9 Indicate whether the separate and consolidated financial statements presented for authorisation for issue by the Board or managing body have been certified beforehand:

- Sí
 No

Indicate, as appropriate, the person(s) who certified the entity's separate and consolidated financial statements for authorisation for issue by the Board or managing body:

Name	Position
FRANCISCO JOSÉ ALJARO NAVARRO	Chief Executive Officer
JOSEP MARIA CORONAS GUINART	General Secretary
ANDRÉ ROGOWSKI	Chief Financial Officer

C.1.10 Explain any mechanisms established by the Board or managing body to prevent qualified auditor's reports on the separate and consolidated financial statements prepared by it from being submitted at the General Meeting or equivalent body.

The Board of Directors ensures that the Company's financial statements and those of its Group are prepared in accordance with generally accepted accounting principles and standards in order to avoid a qualified auditor's report being issued thereon.

Also, the Board of Directors holds regular meetings with the Company's external auditors to avoid discrepancies in the policies to be used in preparing the financial statements.

C.1.11 Is the secretary of the Board/managing body a director?

- Sí
 No

If the secretary is not a director, complete the following table:

Name or company name of secretary	Representative
MIQUEL ROCA JUNYENT	

C.1.12 Indicate any mechanisms established to preserve the independence of the external auditor, financial analysts, investment banks and rating agencies, including details on how the legal provisions have been implemented in practice.

The Board of Directors receives information on matters which may jeopardise the external auditor's independence. Also, the Board oversees that the remuneration of the auditors for their work does not compromise its quality or independence. In particular, the Board must ensure that the Company and the external auditor comply with the legislation in force on the provision of non-audit services, the restrictions on the concentration of auditors' business, and in general, any other legislation on auditors' independence.

The Company, on an annual basis, receives from the auditors or audit firms written confirmation of their independence vis-à-vis the Company or entities directly or indirectly related to it, in addition to information on additional services of any kind rendered and the related fees received from these entities by the aforementioned auditors or audit firms, or persons or entities related to them pursuant to the provisions of the Spanish Audit Law.

The governing bodies pay particular attention to ensuring that the independence of any financial analysts, investment banks or rating agencies the Company might engage in the normal course of its business is not compromised.

C.2. Committees of the Board or managing body

C.2.1 List the committees of the Board or managing body:

Committee name	No. of members
Audit and Control Committee	3
Appointments and Remuneration Committee	3

C.2.2 Give details of the committees of the Board or managing body, their members and the proportion of executive, proprietary, independent and other non-executive directors forming part of them (entities that do not have the legal form of a limited liability company shall not fill in the category of director in the corresponding table, and in the text section shall explain the category of each director based on their legal treatment and the manner in which they meet the conditions for forming the Audit and Appointments and Remuneration committees):

Audit and Control Committee		
Name	Position	Category
PEDRO JOSÉ LÓPEZ JIMÉNEZ	CHAIRMAN	Proprietary
MARCELINO FERNÁNDEZ VERDES	MEMBER	Proprietary
CARLO BERTAZZO	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	100.00
% independent directors	0.00
% other non-executive directors	0.00
Number of meetings	0

The Audit and Control Committee has been created on November 26, 2019 and therefore this year has not had the opportunity to meet.
SEE SECTION G.1

Explain the functions entrusted to this committee and describe the procedures and rules governing the organisation and functioning thereof. For each of these functions, indicate the most significant actions taken in the year and how the committee has put into practice each of the functions attributed to it, whether under the law, company bylaws or other corporate resolutions.

The Audit and Control Committee has the following competences and functions:

- a) Inform the general meeting of shareholders about the issues raised in relation to those matters that are the responsibility of the commission and, in particular, about the result of the audit explaining how it has contributed to the integrity of the financial information and the role that the commission has played in that process.
- b) Supervise the effectiveness of the internal control of the company, the internal audit and the risk management systems, as well as discuss with the account auditor the significant weaknesses of the internal control system detected in the development of the audit, all without break their independence. For this purpose, and where appropriate, they may submit recommendations or proposals to the administrative body and the corresponding period for follow-up.
- c) Supervise the process of preparation and presentation of mandatory financial information and submit recommendations or proposals to the administrative body, aimed at safeguarding its integrity.
- d) Submit proposals for the selection, appointment, re-election and replacement of the auditor to the board of directors, taking responsibility for the selection process, in accordance with the provisions of articles 16, sections 2, 3 and 5, and 17.5 of Regulation (EU) No. 537/2014, of April 16, as well as the conditions of its hiring and regularly gather information about the audit plan and its execution, in addition to preserving its independence in the exercise of its functions.
- e) Establish the appropriate relationships with the external auditor to receive information on those issues that may pose a threat to their independence, for consideration by the commission, and any others related to the process of developing the audit of accounts, and, where appropriate, the authorization of services other than those prohibited, in the terms referred to in Articles 5, paragraph 4, and 6.2.b) of Regulation (EU) No. 537/2014, of April 16, and as provided in the section 3rd of Chapter IV of Title I of Law 22/2015, of July 20, on Audit of Accounts, on the independence regime, as well as those other communications provided for in the audit of accounts legislation and in the rules of audit. In any case, they must receive annually from the external auditors the declaration of their independence in relation to the entity or entities linked to it directly or indirectly, as well as the detailed and individualized information of the additional services of any kind provided and the corresponding fees received. of these entities by the external auditor or by the persons or entities linked to it in accordance with the provisions of the regulations governing the activity of auditing accounts.
- f) Issue annually, prior to the issuance of the account audit report, a report in which an opinion will be expressed as to whether the independence of the account auditors or audit firms is compromised. This report must contain, in any case, the motivated assessment of the provision of each and every one of the additional services referred to in the previous letter, individually considered and as a whole, other than the legal audit and in relation to the regime of independence or with the regulations governing the activity of auditing accounts.
- g) Inform, beforehand, the board of directors on all matters provided for in the Law, the Bylaws and the Regulations of the board and in particular, on:
 - 1- The financial information that the company must publish periodically,
 - 2- the creation or acquisition of shares in special purpose entities or domiciled in countries or territories considered tax havens and
 - 3- the transactions with related parties.

Identify any directors who are a member of the Audit Committee and have been appointed taking into consideration their knowledge and experience in matters relating to accounting, audits or both, and provide information about the date on which the chairperson of this committee was appointed.

Name of experienced directors	PEDRO JOSÉ LÓPEZ JIMÉNEZ / MARCELINO FERNÁNDEZ VERDES / CARLO BERTAZZO
Date of Appointment	26/11/2019

Appointments and Remuneration Committee		
Name	Position	Category
FABIO CERCHIAI	CHAIRMAN	Proprietary
CARLO BERTAZZO	MEMBER	Proprietary
PEDRO JOSÉ LÓPEZ JIMÉNEZ	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	100.00
% independent directors	0.00
% other non-executive directors	0.00
Number of meetings	0

The Appointments and Remuneration Committee has been created on November 26, 2019 and therefore this year has not had the opportunity to meet.

SEE SECTION G.1

Explain the functions entrusted to this committee, including any additional functions to those provided for by law, and describe the procedures and rules governing the organisation and functioning thereof. For each of these functions, indicate the most significant actions taken in the year and how the committee has put into practice each of the functions attributed to it, whether under the law, company bylaws or other corporate resolutions.

The Appointments and Remuneration Committee has the following competences and functions:

- a) Evaluate the necessary skills, knowledge and experience on the board of directors. For these purposes, it will define the necessary functions and skills in the candidates that must fill each vacancy and evaluate the time and dedication necessary for them to effectively perform their duties.
- b) Establish a representation objective for the sex less represented on the board of directors and develop guidance on how to achieve said objective.
- c) To submit to the Board of Directors the proposals for the appointment of independent directors for their appointment by co-option or for submission to the decision of the general meeting of shareholders, as well as proposals for the re-election or separation of said directors by the general meeting of shareholders.
- d) Inform the proposals for the appointment of the remaining directors for their appointment by co-option or for submission to the decision of the general meeting of shareholders, as well as proposals for re-election or separation by the general meeting of shareholders.
- e) Inform the proposals for the appointment and separation of senior managers and the basic conditions of their contracts.
- f) Examine and organize the succession of the chairman of the board of directors and the chief executive of the company and, where appropriate, make proposals to the board of directors so that such succession occurs in an orderly and planned manner.
- g) Propose to the board of directors the remuneration policy of the directors and of the general directors or of those who carry out their senior management functions under the direct dependence of the board, executive committees or delegated directors, as well as individual compensation and other contractual conditions of executive directors, ensuring compliance.

D. RELATED-PARTY AND INTRA-GROUP TRANSACTIONS

D.1. Give details of the transactions performed between the entity or group entities and the shareholders, cooperative members, holders of proprietary rights or any other type of right holder at the entity:

Name or corporate name of significant shareholder	Name or corporate name of the group company or entity	Nature of relationship	Type of transaction	Amount (thousands of euros)
ABERTIS HOLDCO, S.A.	Abertis Infraestructuras, S.A.	Shareholders	Dividends and other profit distributed	10,698,112
AUTOGRILL IBERIA, S.L.U.	Autopistas Aumar, S.A.C.E.	Commercial	Services rendered	6,086
SOCIEDAD IBÉRICA DE CONSTRUCCIONES ELÉCTRICAS, S.A.	Autopistes de Catalunya, Societat Anònima Concessionària de la Generalitat de Catalunya	Contractual	Services received	1,352
AUTOGRILL COTÉ FRANCE, SAS	Sanef, S.A.	Commercial	Services rendered	1,095
AUTOGRILL ITALIA S.P.A.	Autostrada Bs Vr Vi Pd S.p.A.	Commercial	Services rendered	8,390
AUTOSTRADA PER L ITALIA, S.P.A.	Autostrada Bs Vr Vi Pd S.p.A.	Commercial	Services received	1,428
AUTOSTRADA TECH S.P.A.	A4 Mobility, S.r.l.	Commercial	Services received	3,958
COBRA INSTALACIONES Y SERVICIOS, S.A.	Túnel de Barcelona i Cadí Concessionària de la Generalitat, S.A.	Commercial	Services received	2,300
SICE AGENCIA CHILE, S.A.	Sociedad Concesionaria Autopista Central, S.A.	Commercial	Services received	110
SOCIEDAD IBÉRICA DE CONSTRUCCIONES ELÉCTRICAS, S.A.	Autopistes de Catalunya, Societat Anònima Concessionària de la	Commercial	Services received	2,400

In addition to the operations carried out between the entity or entities of the group, and the shareholders, cooperative cooperatives, owners of proprietary rights or any other of an equivalent nature of the entity established in this section, the following must also be indicated:

- Abertis HoldCo, S.A.-Abertis Infraestructuras, S.A.-Nature of relationship-Type of transaction: Others: Balance receivable and payable with Abertis HoldCo, S.A. for a respective amount of 195,348 thousand euros and 41,491 thousand euros as a result of the tax effect generated by the tax consolidation regime of which Abertis HoldCo, S.A. is the parent company.
- Telepass S.p.A.-Sanef, S.A.- Nature of relationship-Type of transaction: Balances to collect by rendered services,-Amount: EUR 6,878 thousands.
- Autostrade per l'Italia S.p.A.-Autostrada Bs Vr Vi Pd S.p.A.- Nature of relationship-Type of transaction: Balances to collect by rendered services, Amount: EUR 63,596 thousands.
- Autogrill Italia S.p.A.-Autostrada Bs Vr Vi Pd S.p.A.- Nature of relationship-Type of transaction: Balances to collect by rendered services, Amount: EUR 3,025 thousands.
- Autostrade Tech S.p.A.-A4 Mobility, S.R.L.- Nature of relationship-Type of transaction: Balances to pay by received services, Amount: EUR 2,851 thousands.

D.2. Give details of the transactions performed between the entity or group entities and the directors or members of the managing body or executives of the entity.

Name or company name of the directors or executives	Name or company name of the related party	Relationship	Nature of transaction	Amount (thousands of euros)
No data				

D.3. Give details of the intra-group transactions

Company name of group company	Brief description of the transaction	Amount (thousands of euros)
No data		

With the information reported by the companies, there is no significant transaction with other group-entities that is not eliminated in the consolidated and is not part of the usual traffic.

D.4. Give details of the mechanisms in place for detecting, identifying and resolving any potential conflicts of interest between the entity or its group and its directors, members of the managing body or executives.

The Regulations of the Board of Directors contain in its article 28 and following specific obligations derived from the duty of loyalty and information on interests in the Company itself or from interests in other companies outside the Group, of the members of the Board. In particular, the duty of loyalty obliges the members of the Board of Directors to take the necessary measures to avoid incurring situations in which their interests, on their own or another's account, may conflict with the social interest and with their duties to with the Company excepting the cases in which the Company has authorized the operation with which there is a conflict.

The Directors must notify to the other Directors and, where appropriate, to the Board of Directors of any conflict situation, direct or indirect, that they or persons linked to them may have in the interest of the Company. The affected director shall refrain from intervening in the agreements or decisions regarding the operation to which the conflict refers and his vote shall be deducted for calculating the majority of votes that may be necessary.

In accordance with the Board Regulations, the duty to avoid situations of conflict of interest obliges the director to refrain from carrying out transactions with the company, except in the case of ordinary operations, carried out under standard conditions for clients and of little relevance, understood as those whose information is not necessary to express the faithful image of the assets, the financial situation and the results of the Company. The Director must refrain from using the name of the company or invoke his status as Director to unduly influence the performance of private operations, as well as to make use of social acts, including confidential company information for private purposes and to take advantage of the business opportunities of the company and of obtaining advantages or remuneration from third parties other than the company and its group, associated with the performance of its position, unless it is mere courtesy. The Director must also refrain from carrying out activities on his or her own account or on behalf of others that involve effective competition, whether current or potential, with the Company or that, in any other way, place him in a permanent conflict with the interests of the Company.

The provisions described in this section shall also apply in the event that the beneficiary of the prohibited acts or activities is a person linked to the Director

Situations of conflicts of interest are reported in the annual accounts report.

The Company may waive the situations of conflicts of interest are reported in the annual accounts reports described above in singular cases, authorizing the performance by a Director or a related person of a certain transaction with the Company, the use of certain social assets, taking advantage of a specific business opportunity, obtaining an advantage or remuneration from a third party.

When the object of the authorization is the waiver of the prohibition of obtaining an advantage or the remuneration of third parties or when the dispensation affects a transaction whose value is greater than ten percent (10%) of the social assets, the authorization must be necessarily agreed by the General Meeting.

In other cases, the Board of Directors may also grant the authorization, if the independence of the members that grant it to the dispensed director is guaranteed. In addition, it will be necessary to ensure the safety of the authorized operation for the social heritage or, where appropriate, its performance under market conditions and the transparency of the process

CONTINUE IN SECTION G.1

E. RISK CONTROL AND MANAGEMENT SYSTEMS

E.1. Explain the scope of the entity's Risk Control and Management System

The Board of Directors of Abertis Infraestructuras, S.A. is allocated the task of preparing the risk strategy, entrusting this function to the Audit and Control Committee, which establishes the Risk Control and Management Policy of the Abertis Group and supervises the risk management system and its commitment to the application of the tax best practices.

The Abertis Group implements a risk management model, approved and monitored by the Audit and Control Committee, and applicable to all the business and corporate units in all the countries where the Group carries on its activities. The risk management model covers all the Group's possible risks with the aim of ensuring achievement of the Group's main objectives.

Based on the directives defined by the Corporate Risk Control unit, each of the business and corporate units is responsible for preparing and maintaining its risk map which includes identification and assessment of the inherent and residual risks, of the control initiatives and activities implemented, those in charge thereof, and of the action plans defined to cover the residual risks.

The risk maps are checked and approved by the general managers of the business unit or by the managers of the corporate areas. The aforementioned risk maps are subject to periodic review by the Audit and Control Committee and the Management Committee which also monitor the main risks more frequently.

E.2. Identify the entity's bodies in charge of preparing and executing the Risk Control and Management System

The members of the managing bodies undertake to ensure that the Group's significant risks are duly and acceptably identified, measured, prioritised and controlled, and to establish the basic mechanisms and policies required to achieve a level of risk that enables:

- The creation of value for shareholders.
- Protection of the Group's reputation, fostering of good Corporate Governance practices and commitment through the application of tax best practices.
- Provision of a quality service in all the Group-operated infrastructures.

The bodies responsible for definition, execution and oversight are as follows:

Board of Directors: retains ultimate responsibility for the definition of the risk strategy and of the risk control policy.

Audit and Control Committee: is responsible for supervision of the risk control systems, including approval of the model and periodic monitoring of the risks with varying frequencies based on the criticality and significance thereof.

Corporate Risk Control: is responsible for the preparation and update of the risk management policies, ensuring effective implementation of the model, establishing a common methodology for the identification, classification and assessment of risks, coordinating the update of the risk maps, implementing a monitoring and reporting system for the governing bodies and, in cooperation with the other areas of the Group, reviewing the control activities that mitigate the identified risks and monitoring of the action plans.

Business/corporate unit General Managers: are in charge of risk management in their respective areas of responsibility which includes the implementation of the risk policies defined, validation of the risk maps, and supervision of the implementation of control activities and action plans to mitigate risks.

Business/corporate unit risk coordinators: are responsible for coordinating implementation of each unit or area's risk management model which includes the identification and assessment thereof, as well as the implementation of a system for the control, monitoring and reporting of emerging risks to the Corporate Risk Control Unit. The risk coordinator, together with those in charge of each area, periodically prepares the risk updates and the detail of control activities, as well as information on the status of action plans.

Function supervisors: are those responsible for identifying risks in their respective areas and notifying their unit risk coordinator appropriately. They are also responsible for the identification and implementation of the control activities aimed at mitigating risks.

The responsibilities defined in the foregoing section are detailed in the "Framework Risk Management Policy" approved by the Board of Directors at the proposal of the Audit and Control Committee.

E.3. Indicate the main risks that might affect the achievement of the business objectives.

The business objectives may be adversely affected by the following main risks:

- Business environment-related risks inherent to economic performance, arising from decreased demand in certain countries, amended to legislation (tax, legal and environmental), socio-political change, or adverse weather conditions.
- Specific risks arising as a result of the Group's business activities such as the maturity and term of concessions, agreements with public authorities, the performance of transactions on regulated markets, fulfilment of concession obligations and investment commitments and the entry into service of alternative infrastructures.
- Financial risks inherent to growth operations and investment financing processes, fluctuations in interest and exchange rates, rating control and refinancing needs.
- Operating risks relating to user and personnel safety, adaptation and swift response to technological changes in operating systems, control of construction projects, infrastructure maintenance, the security, integrity and confidentiality of financial and corporate information and

business know-how, personnel selection and performance , training and retention of talent, fraud, supplier dependence and business interruption.

E.4. Identify whether the entity has risk tolerance levels.

To determine tolerance levels Abertis has taken three aspects of the corporation as a reference:

- Mission, vision and values.
- Abertis corporate strategy.
- Criticality risk analysis by categories.

Tolerance levels are defined in the risk assessment matrix which provides the basis for the assessment of the inherent and residual risks. Various scales of possible impacts are established taking into consideration economic and reputational criteria, or obligations relating to liability. Given the impact their possible materialisation might have on the achievement of objectives, specific tolerance levels are defined for the risks considered to be critical, indicating action guidelines, deadlines for achievement, the persons responsible and monitoring indicators, in addition to setting out the frequency and content of the information to be furnished to the governing bodies for monitoring and decision-making purposes.

A system of alerts has been set up for the remaining risks to ensure identification of material changes in measurement or significant control weaknesses outside the approved tolerance levels for the related risks.

E.5. Identify whether the entity has risk tolerance levels.

The risks identified in the risk maps of the various business or corporate units are, in the main, risks inherent to the business model and to the various activities carried on by the Abertis Group. Accordingly, to a certain extent the risks could arise in the course of each financial year.

The most significant risks to materialise in the current year were as follows:

- Political and social instability in certain countries in which the Group operates has given rise to uncertainty as to the potential impact on the performance of the Group's activities; however, swift decision-making and the internationalisation and geographical diversification of the businesses has ensured that there was no significant impact on the Group.
- The ongoing restrictions on the availability and terms and conditions of public and private funding pose a risk in terms of the Group's growth strategy (financing of new growth transactions and investment commitments), but have been mitigated thanks to the Group's strict financial discipline with guidelines and limits defined by the governing bodies and comprehensive monitoring of the entire organisation.
- The relevant maturities of some of the highway concessions in the short and medium term, mitigated by the growth of the portfolio of assets resulting from the agreement for the acquisition of the 50,12% stake in the Red de Carreteras de Occidente (RCO) group in Mexico.

E.6. Identify whether the entity has risk tolerance levels.

The risk management model implemented by the Abertis Group sets out the level of oversight and the performance of specific initiatives or response plans for the main risks based on the assessment or the level of criticality thereof in order to ensure that risks are contained within the defined limits. A group of risks for priority monitoring is defined (at least each quarter) and the risks selected are reviewed by the Audit and Control Committee.

The response plans for the priority-monitoring risk group form part of the implementation of the specific initiatives for each of the aforementioned risks and include:

- Main milestones to be achieved
- Persons responsible for implementation and monitoring within the organisation
- Monitoring indicators
- Content and frequency of the information to be furnished to governing bodies to ensure prompt decision-making.

Risks of a strategic and business nature due to the economic environment, regulatory changes and the specific nature of the concession business are monitored by the management committees whereas financial and operating risks are, in the main, monitored by the corporate committees in coordination with the related committees of the various business units (security committees, operating committees, technical committees, etc.).

Response plans vary based on each risk type and address issues such as:

- The internationalisation and geographical diversification strategy due to the economic downturn in certain countries and periods, offset by increased demand in response to growth in other countries. In 2019, Abertis has continued to strengthen its international presence due to the agreement for the acquisition of the 50,12% participation of the Red de Carreteras de Occidente (RCO) group in Mexico.
- Cost optimisation based on the definition, implementation and monitoring of the efficiency plans, which place special emphasis on optimising the operating costs and controlling the operating investments of all the business units within the Abertis Group.
- Dialogue with the parties involved in order to provide tailor-made solutions in the infrastructure industry, adapted to each country, and negotiations with public authorities, occasionally agreeing on specific investment commitments.
- Definition of policies and procedures for the most important risks in order to control risk performance within the defined limits.
- Adherence to the Code of Good Tax Practices with the aim of enhancing Abertis Group companies' corporate responsibility in addition to bringing greater stability to its economic results and greater legal certainty. The Abertis Group implemented the content of the Code of Good Tax Practices effectively.
- The maintenance of an appropriate insurance policy that guarantees coverage of the main types of damage, particularly catastrophes.

F. SYSTEMS OF INTERNAL CONTROL AND RISK MANAGEMENT RELATING TO FINANCIAL REPORTING (ICFR SYSTEM)

The mechanisms comprising the entity's systems of internal control and risk management relating to financial reporting (ICFR system).

F.1. The entity's control environment

Provide information, indicating salient features, on at least

F.1.1 Bodies and/or functions responsible for: (i) the existence and maintenance of a suitable, effective ICFR system; (ii) its implementation; and (iii) its oversight.

The System of Internal Control over Financial Reporting (ICFR) of the Abertis Group ("the Group" or "Abertis") forms part of its general internal control system and consists of a set of processes performed by the Board of Directors, the Audit and Control Committee (ACC), senior executives and Group personnel, in order to provide reasonable assurance with regard to the reliability of the financial information disseminated in the markets.

The "Policy for the Definition of Responsibilities for the System of Internal Control over the Financial Reporting of the Abertis Group" establishes the following lines of responsibility and authority in relation to the ICFR system:

- Abertis' Board of Directors is ultimately responsible for all the regulated information the Group disseminates and, accordingly, for preparing the financial reporting (Article 4 of the Board Regulations) and ensuring that its ICFR system is adequate and effective.
- In accordance with the bylaws and the Board Regulations, the main responsibilities of the ACC include, inter alia:
 - Overseeing and analysing, prior to submission to the Board, the Group's statutory financial reporting process, reviewing correct compliance with the legislation in force and application of the accounting principles.
 - Overseeing the effectiveness and sufficiency of the Group's system of internal control and risk assessment, with the aim that any risk (operating, financial, technological, legal or reputational) with a significant impact on the Group's financial reporting may be identified, managed and mitigated, and communicated to the Board of Directors.
 - Overseeing the independence of the External Auditor, supervising its work.
 - Overseeing the work performed by the Corporate Risk Control and Internal Audit Department, ensuring its independence and verifying that the recommendations and corrective measures it makes are considered by management.
- The Corporate Management Control and Planning Department (reporting to General Financial Management) is responsible for the design, maintenance and implementation of the ICFR system.

Abertis' Internal Audit function assumes the oversight of the ICFR system delegated by the ACC.

F.1.2 Indicate the following, if in place, particularly in connection with the financial reporting process:

- The departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) defining clear lines of responsibility and authority, with an appropriate distribution of tasks and functions; and (iii) ensuring procedures are in place to communicate this structure effectively throughout the entity:

Abertis' Board of Directors assigns responsibility for the design and review of the organisational structure to the Compensation and Organisation Department of the People and Organisation Area. This department define the general outline of the organisational structure, the distribution of responsibilities and the hierarchy of the job positions, as well as related legislation. The result of these mechanisms is documented in the form of organisational charts (organisational structure), the manuals of functions and job position descriptions (establishing allocation, distribution and segregation of functions) and maps of job position assessments (establishing the levels of responsibility).

The Group has an internal organisational chart that is found on the corporate intranet. It covers all the areas, locations and companies belonging to the Group and is basically organised by line of business and department (including those departments involved in the preparation, analysis and oversight of financial reporting). The organisational chart indicates responsibilities up to a certain management level and is supplemented with other more detailed organisational charts provided at department level.

With respect to the financial reporting process, in addition to the detailed organisational charts, manuals, internal policies and instructions are issued by the Corporate Management Control and Planning Department (included in the Group's unified reporting manual), which establish the specific guidelines and responsibilities at each reporting date (close procedures defining the main tasks both at corporate and subsidiary level), including most notably:

- "Group Reporting and Accounting Policies Handbook" (GRAPH): this handbook encompasses the accounting policies used by the Group to prepare its financial statements and its aim is to obtain consistent, uniform and comparable financial information for all the Group companies.
- "Close instructions": published every six months, establish the schedule to be followed by the Group companies when submitting the financial reporting and other procedures to be applied in the preparation of the Group's consolidated information.
- "Policy for Accounting Close at Subsidiaries": establishes the procedures to be followed to prepare the economic and financial information of the Group subsidiaries and the associated oversight procedures

- Code of conduct, approving body, dissemination and instruction, principles and values covered (stating whether it makes specific reference to record keeping and financial reporting), body in charge of investigating breaches and proposing corrective or disciplinary action:

Abertis has a Code of Conduct (Code of Ethics), approved by the Board of Directors which is adapted by each business unit, through the preparation of a Local Code of Ethics, when required by the national laws, customs and practices of the country where the business unit operates. In any event, the Local Codes of Ethics must follow the guidelines of the Group's Code of Ethics. Also, the Abertis business units with head offices in Spain are subject to the Code of Ethics Regulations in Spain which regulate and prohibit any conduct that could imply criminal liability for legal entities.

Training is provided for new employees, and all employees are required to accept Abertis' Code of Ethics each year. Training is available on the company intranet and the Abertis website.

The core values and principles enshrined in the Code of Ethics are as follows: integrity, honesty, transparency, legal compliance, avoidance of conflicts of interest, treatment of information with the maximum strictness, appropriate use and protection of company assets, the guarantee of equal opportunities, non-discrimination of people and no reprisals against reports in good faith of breaches of the Group's Code of Ethics and its Local Codes of Ethics. Also the Code of Ethics provides that treatment of information must be truthful, so that the Group's economic and financial information reflects fairly its economic, financial and equity position, in accordance with generally accepted accounting principles and applicable international financial reporting standards.

The bodies in charge of investigating breaches and proposing corrective or disciplinary action are the Abertis Group's Ethical and Crime Prevention Committees and its Compliance functions. All the Group's Ethical and Crime Prevention Committees are presided over by the relevant Local Compliance Officer, in cooperation with the Chief Compliance Officer. The Group's Chief Compliance Officer is responsible for reporting to the Abertis ACC about all the instances of non-compliance detected either by the Ethical and Crime Prevention Committees or by the Group's Compliance functions. Also, these bodies have the cooperation of the Group's various management areas, including the Management Control Department of Abertis Infraestructuras, S.A., for monitoring compliance with its internal policies. This operating mechanism is described in the Group's Compliance Policy, published on the company intranet and the Abertis website, as well as in the Group's policies.

- Whistle-blowing channel, for reporting any irregularities of a financial or accounting nature, as well as breaches of the code of conduct and irregular activities within the organisation to the Audit Committee, stating, as applicable, whether such reports are confidential:

The whistle-blowing channel is managed by the Group's Ethical and Crime Prevention Committees and facilitates the reporting of any irregularities of a financial, accounting or non-financial nature.

As established in the whistle-blowing channel procedure, breaches may be reported using an online form (available on the company intranet and on the Abertis website), by post or by email. Also, all Group rules establish the requirement to report any breach of the rules to the Chief Compliance Officer of Abertis. The ACC periodically monitors the reports of breaches and of how they are handled and resolved, as well as the detection of risks of non-compliance detected by the Group's corresponding Compliance functions.

- Training and periodic refresher courses for personnel involved in preparing and reviewing financial information or evaluating the system of ICFR, which address, at least, accounting rules, auditing, internal control and risk management:

As regards training and periodic refresher courses, Abertis considers the development and ongoing training of its employees and executives, both at corporate and subsidiary level, in those issues affecting the preparation of the Abertis Group's consolidated financial information to be of crucial importance.

Abertis has a Training Plan for all of its employees, prepared by the Human Resources Department. The actions included in the Plan are linked to the Group's strategic objectives, as well as the Human Resources Department's strategy.

Abertis also considers that comprehensive, up-to-date training in relation to accounting rules and standards for preparing financial reporting, and capital market, tax and internal control regulations is necessary to ensure that the information reported to the markets is reliable and complies with current legislation.

With respect to the preparation and review of financial information, each year Abertis provides training in those areas identified by the Corporate Management Control and Planning Department in relation to:

- New regulations adopted (accounting, tax, capital markets and internal control) and applicable to the Group.
- Changes in the reporting methodology and/or in the IT systems.
- Individual initiative of team members of the Corporate Management Control and Planning Department.

Once the training requirements in the aforementioned areas have been identified, appropriate training activities are designed and carried out to fulfil the Group's annual training objectives in these areas.

In 2019 Abertis provided training activities by external experts and in-house training sessions for the personnel involved in the preparation and review of the financial reporting at corporate and subsidiary level. Training in 2019 was focused mainly on the accounting, tax and financial areas that may have the greatest impact on the preparation of the Group's consolidated financial reporting, in particular, in relation to IT systems, changes in tax legislation and latest developments adopted during the year in accordance with the EU-IFRSs

In addition, in 2019 specific training was provided in the following areas:

- Accounting training on "New accounting standards on International Financial Reporting Standards (IFRSs), first application of IFRS IFRS16) given by the Consolidation and Accounting Regulations Department.
- Tax courses given by the Corporate Tax Department, in particular, on the latest tax developments in 2019 in the main countries in which Abertis has a presence and international taxation.
- Courses given by the Compliance Department, specifically:
 - On-line training on the misuse of information for management personnel
 - Face-to-face and online training in relation to the Abertis Group's compliance model (model of criminal prevention, prevention of corruption, advocacy lobby, conflicts of interest ...)
- Legal alerts prepared by the Legal Advisory Department on the latest amendments to legislation applicable to Group companies.

The Corporate Management Control and Planning Department has subscriptions to a number of publications and journals on accounting and financial matters and to the website of the International Accounting Standards Board (IASB), which regularly sends new developments and other communications of interest which are analysed to ensure they are taken into consideration when preparing Abertis' financial information.

F.2. Assessment of financial reporting risks

Provide information on, at least:

F.2.1 The main features of the risk identification process, including risks of error or fraud, as regards :

- Whether the process exists and is documented:

Pursuant to the provisions of Legislative Royal Decree 4/2015, of 23 October, approving the Consolidated Securities Market Law and Spanish National Securities Market Commission (CNMV) Circular no. 7/2015, of 22 December, the Group has a system of Internal Control over Financial Reporting (ICFR) model).

The aforementioned model is documented in the "Policy for identification of risk of error in financial reporting of the Abertis Group" ("Risk Identification Policy"), which describes the process for identifying risks of material error or fraud in relation to the consolidated financial statements. The risk identification process is performed at least once a year.

Through application of the Risk Identification Policy, Abertis ensures that the risk identification process considers quantitative and qualitative variables (i.e. transaction complexity, risk of fraud, regulatory compliance or level of judgement required) when defining the scope of the Group's ICFR system.

As a result of applying the Risk Identification Policy, an ICFR risk matrix is drawn up for the consolidated group. The purpose of the matrix is to identify the accounts and disclosures which have an associated significant risk with a potential material impact on financial reporting. Once the scope of application of the Group's ICFR system has been defined, based on the identified risk matrix, the control activities required to mitigate the identified risks are designed.

The process of identifying risks of error in financial reporting is performed and documented each year by the General Financial Department (through the Consolidation and Accounting Regulations Management) and the General Directorate of Planning and Control.

- Whether the process covers all financial reporting objectives (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations), is updated and how frequently:

The Risk Identification Policy establishes that, following identification, risks are reviewed in order to analyse the potential risks of error in each of the financial reporting elements (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations) that might have a significant impact on the reliability of the financial reporting.

The risks of error identified in the financial reporting are classified as follows:

- General risks
- Risks relating to appropriate recognition of the Group's specific transactions
 - Significant transactions
 - Judgements and estimates
 - Lack of familiarity with agreements/contracts
 - Activities outsourced to third parties
- Risks relating to the financial reporting preparation process
- Risks relating to IT systems

Each of the aforementioned risks identified in the process of preparing the consolidated financial statements is associated with the processes and various financial areas deemed significant (in view of either their contribution to the consolidated financial statements or to other more qualitative factors) and to the Group companies within the scope of the ICFR system

- Whether a specific process is in place to define the scope of consolidation, taking into account, inter alia, the possible existence of complex corporate structures, holding companies and special purpose vehicles:

The identification of the scope of consolidation is performed periodically to obtain an updated company map. Companies exercising direct or indirect control (power to govern the operating and financial policies of a subsidiary so as to obtain economic benefits from its activities) are considered when establishing the companies within the scope of the ICFR system. Therefore, the scope of the ICFR system excludes companies over which joint or significant influence is exercised, although general controls are performed in order to provide assurance on the reliability of the financial reporting furnished by these companies and included in the consolidated financial statements.

- Whether the process addresses other types of risk (operational, technological, financial, legal, reputational, environmental, etc.) insofar as they may affect the financial statements:

Abertis considers the possibility of risks of error arising in certain processes not associated with specific types of transactions to the extent that they may impact the financial statements (such as the close process, the IT system operating process and the judgements or key accounting policies review process). These processes include the consolidation process and, accordingly, the Group has established policies geared towards ensuring both correct configuration and execution of the process, as well as correct identification of the scope of consolidation.

- Indicate the entity's governing body that oversees the process:

As mentioned above in F.1.1., the ACC is responsible for oversight of the internal control and risk management system with the support of the Internal Audit function.

F.3. Control activities

Provide information, indicating the salient features, if available, on at least:

F.3.1 Procedures for reviewing and authorising financial information and the description of the ICFR system to be disseminated in the securities markets, indicating the persons responsible in that connection, as well as documentation describing the flows of activities and controls (including those addressing the risk of fraud) for the various types of transactions that may have a material effect on the financial statements, including the accounting close procedure and the specific review of the relevant judgements, estimates, valuations and projections

The Group's "Review, Authorisation and Supervision of Financial Reporting Policy" establishes, inter alia, the scope (periodic regulated financial reporting and those responsible for the preparation thereof) and the review procedures of the ACC, which include reading and analysis of the information and discussions with those responsible for its preparation (Corporate Management Control and Planning Department), those responsible for the verification of the design of the model and operation of the existing controls (Internal Audit) and the external auditors.

Responsibility in relation to the preparation of the financial information at each quarterly close begins with the review and certification of the person responsible for economic and financial matters at each subsidiary, and also, at the half-yearly and annual accounting closes, with the express certification of the general manager of each subsidiary. The aforementioned certification is provided by means of a questionnaire that includes the internal control procedures that must be performed to provide reasonable assurance as to the reliability of the entity's financial statements.

As regards the description of the ICFR system contained in this document, the review and certification process is the same as that applied for the rest of the economic and financial content of the Annual Corporate Governance Report.

The separate and consolidated financial statements, the half-yearly financial reports and the financial information contained in the Group's quarterly interim management statements are prepared and reviewed by the General Financial Management and Planning and Control Department and the Financial Department prior to submission to the ACC. The ACC applies the procedures included in the policy referred to at the beginning of the section as a preliminary step towards the submission of its conclusions to the Board of Directors of Abertis.

The documentation of the ICFR system includes the following documents:

- ICFR system policies
- Corporate internal regulations
- ICFR system risk map
- ICFR system scope model
- ICFR system risk and control matrix
- Quarterly questionnaires certifying control activities

In addition to the ICFR system policies, Abertis has policies designed to mitigate the risks of error in processes not associated with specific transactions. Specifically, documented corporate internal regulations exist in relation to:

- Accounting close procedures (at both corporate level, including the consolidation process, and at subsidiary level)
- Procedures relating to activities performed by third parties
- Transfer pricing
- Policies to identify and establish levels of approval for significant judgements and estimates

In addition to the risks detected and documented in the "ICFR system risk and control matrix", the scope of the system of internal control over financial reporting is established in order to determine both the headings affected in the financial statements, as well as the companies affected (see section F.2.1.).

In relation to the activities and controls directly related to transactions that may materially affect the financial statements, the Group has descriptions of the controls implemented to mitigate the risk of material error in the information reported to the markets. The descriptions are also documented in the "ICFR system risk and control matrix" and contain information on what the control activity should entail, why it is executed, who is required to execute it and how often, as well as any other information with regard to which IT systems or which activities performed by third parties are relevant in terms of the effectiveness of the related control activity. The controls cover areas such as the generation of revenue, investments and concession expenses, acquisitions and subsequent measurement of other non-current assets, analysis of investment recovery, recognition of income taxes or correct presentation of financial instruments and of financing transactions of the Group. Abertis performs an annual review of matrices to ensure maintenance thereof.

The Group has descriptive corporate documentation available on the control activities that encompass all the financial reporting control objectives of the various types of transactions with a material impact on its consolidated financial statements.

In relation to relevant judgements and estimates, the Group provides information in its annual consolidated financial statements on particularly relevant areas of uncertainty. The specific review and approval of the significant judgements, estimates, valuations and projections, as well as the key assumptions used for their calculation, with a material impact on the consolidated financial statements, is carried out by General Financial Management and, where applicable, by the chief executive officer. The most significant, such as the monitoring of asset value, hedging policies, etc. are discussed and reviewed by the ACC, prior to their approval by the Board of Directors.

F.3.2 Internal control policies and procedures for IT systems (including secure access, tracking of changes, system operation, operational continuity and segregation of duties) giving support to key company processes regarding the preparation and publication of financial information.

The Group uses IT systems to maintain proper recognition and control of its transactions and, therefore, their correct functioning is a crucial element of particular importance to the Group. Specifically, it has implemented standardised accounting and reporting systems at the majority of the Group companies.

Accordingly, as part of the identification process for risks of error in financial reporting, the Group identifies, through its Corporate Management Control and Planning Department, which systems and applications are relevant to the preparation of the financial reporting. The systems and applications identified include those used directly at corporate level in the preparation of the consolidated financial reporting, as well as the reporting systems among the various Group companies. The systems and applications include, inter alia, both complex developments at integrated IT system level, as well as other software applications developed at user level (e.g. spreadsheets), when they are relevant to the activities involved in the preparation and control of financial reporting.

Also, the Systems Department has established general policies aimed at ensuring the correct operation of the systems and applications. These policies cover both physical and logical security relating to access, procedures to verify the design of new systems or changes to existing systems and data recovery policies in the event of unforeseen incidents affecting the operation thereof. In particular, documented policies exist in relation to the following:

- IT system project development methodology (change management, etc.)
- Operations management (backup management, patch installation, system capacity and performance management, communications management, interface monitoring, operational incident management and resolution, preventive updates and batch process management)
- Information and systems security (backup copy procedure and plan, user and licence management, physical access, security monitoring, etc.)
- Systems continuity plan

The Systems Department performs an annual validation of the effectiveness of the controls established over the various IT systems implemented at the Group.

F.3.3 Internal control policies and procedures for overseeing the management of activities outsourced to third parties and of the appraisal, calculation or valuation services commissioned from independent experts, when these may materially affect the financial statements.

Since 2015, some of the Group companies in Spain have outsourced to a third-party provider certain of the activities associated with economic and personnel management. In this connection, certain risk control and management mechanisms have been established with the provider to ensure the completeness and reliability of the financial information arising from the outsourced activities, including, inter alia: a Management and Oversight Committee for the agreement, service level agreements, risk indicators, service reports, technological security measures, external audits and contingency and continuity plans.

Also, the Group uses, on a recurring basis, independent experts' reports to measure its financial instruments and employee benefit obligations.

The Corporate Finance Department and Compensation and Benefits Department carry out checks prior to hiring independent experts and following the experts' work, in order to verify:

- Competence, knowledge, credentials and independence;
- The validity of the data and methods used; and
- The reasonableness of the assumptions applied, where applicable.

Abertis has documented guidelines on the treatment of activities outsourced to third parties in terms of both engagement and results. These guidelines are set out in the "Procedure for activities performed by third parties" policy. Each year the Group reviews which activities performed by third parties are relevant to the preparation of the financial reporting.

F.4. Reporting and communication.

Provide information, indicating the salient features, if available, on at least:

F.4.1 Whether there is a specific role in charge of defining and keeping up-to-date accounting policies (accounting policies area or department) and resolving doubts or disputes over their interpretation, communicating on a regular basis with the team in charge of operations at the organisation. The role is also responsible for updating the accounting policies manual and disseminating it to the operating units.

This responsibility is held by Consolidation and Accounting Legislation Management (reporting to the Corporate Management Control and Planning Department) which, among other duties, is in charge of defining, keeping up-to-date and communicating the Group's accounting policies for the purpose of preparing the consolidated financial information in accordance with the standards adopted by the European Union (EU-IFRSs) (and, consequently, of the information each subsidiary is required to report).

The Group has formalised a "Procedure for the preparation, updating and communication of accounting policies" which sets out the following:

- Existence of a Group accounting manual
- Update frequency
- Communication with business units
- Procedure for receiving and responding to queries regarding the accounting manual (Accounting legislation mailbox)
- Procedure for updating the Reporting Package of accounting information to be received from subsidiaries

The duties of Consolidation and Accounting Legislation Management also include responding to the accounting consultations that may be made by the various business units and other corporate departments of the Group.

As mentioned in section F.1.2, the Group has an accounting policy manual (GRAPH) for the purposes of preparing the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs), which is compiled by Consolidation and Accounting Legislation Management and updated periodically (as least once a year), and includes the standards applicable during the year. The Audit Instructions sent by the external auditor to all the auditors of the various Group companies for the limited review or audit at each half-yearly or annual close, respectively, establish that the accounting policies to be applied in the performance of their work are those contained in Abertis' GRAPH.

Any amendments made are communicated to the subsidiaries by email, and a complete, updated manual is available in the Accounting Legislation Portal and in the Corporate Management Control Portal on the Group intranet. The manual was last updated in September 2018 and, in any event, is reviewed in the last quarter to verify that no significant amendments have been made that might affect the preparation of the consolidated financial information for the year.

Moreover, on a half-yearly basis, Consolidation and Accounting Legislation Management issues an information memorandum on the EU-IFRSs, which describes the standards that will come into force during the year and in future years, as well as a summary of the standards not yet approved that might have an impact on the consolidated financial statements and those of the subsidiaries.

F.4.2 Mechanisms in standard format for the capture and preparation of financial information, which are applied and used in all units within the company or group, and support its main financial statements and accompanying notes as well as disclosures concerning the ICFR system.

The Group has various integrated platforms both for the accounting recognition of transactions and the preparation of financial information for the majority of its subsidiaries (SAP R3 and BPC consolidation and reporting). The integrity and reliability of the aforementioned IT systems is validated through the general controls indicated in section F.3.2.

Also, each of the subsidiaries is responsible for the preparation and upload in the reporting and corporate consolidation system (SAP BPC) of the monthly reporting, which contains the financial information required at each monthly close to prepare the consolidated information and other financial information required.

The monthly reporting is a single reporting based on a standard chart of accounts for all the Group companies.

Every six and twelve months "Half-yearly forms/Annual forms" (a single, standard information package for all the Group companies, which includes the monthly reporting and a reporting of "Additional Information - Financial Statements 2019") signed by the General Management of each of the subsidiaries are received, which include all the information required to prepare the Group's consolidated financial information (interim condensed financial statements).

The aforementioned "Half-yearly and annual forms" guarantee the homogeneity of information through the following characteristics:

- It is homogeneous and consistent for all countries and businesses.
- It is prepared based on instructions and accounting manual of the Group, unique to all the companies that make up the Group.
- Incorporates the applicable legal, fiscal, commercial and regulatory requirements.

The information of the monthly reporting and the "Forms" is loaded directly by the controllers in the reporting and corporate consolidation system. Periodically (minimum 2 times a year) the structures of the "Forms" are reviewed with the objective of ensuring that they include all the regulatory updates applicable under IFRS-EU.

The entire reporting system is included in the Monthly Reporting Information Manual, which is updated annually by the General Directorate of Planning and Control and which includes processes, dates and complete information about the completion of the reporting, which must be followed by all Group companies.

F.5. Oversight of system operation.

Provide information, indicating the salient features, on at least:

F.5.1 ICFR system monitoring activities performed by the Audit Committee, including an indication of whether the entity has an internal audit department whose competencies include supporting the Audit Committee in its role of monitoring the internal control system, including ICFR. Also describe the scope of the ICFR system assessment conducted in the year and the procedure for the person in charge to communicate the findings. State also whether the company has an action plan specifying corrective measures and whether it has taken stock of the potential impact on its financial information.

In 2019 the ACC or, in its absence, the Board of Directors performed the following activities in relation to the ICFR system:

- Periodical review of the financial information, considering the most relevant judgments and estimates.
- Periodical monitoring of the certifications of the application of controls by the personnel responsible for preparing the financial reporting.
- Monitoring of the findings of the internal and external audit ICFR reviews.
- Review of the information relating to the ICFR system forming part of the Annual Corporate Governance Report.

The Group has an Internal Audit function (forming part of the General Secretary's Office and Corporate Affairs) that reports to the ACC (which delegates oversight of internal control systems, including the ICFR system). As a result of the supervisory tasks delegated to it, Internal Audit plays a key role in ensuring an internal control system is in place that reasonably guarantees:

- Safeguarding of the Group's assets
- Compliance with applicable external and internal regulations
- Effectiveness and efficiency in the transactions and corporate and support activities
- Transparency and completeness of the financial and management information

Internal Audit draws up an Annual Review Plan that is approved by the ACC and based on the following:

- The classification, by risk and materiality factors, of the companies controlled by the Group.
- The definition of the activities to be reviewed: top-level transactional processes (revenue, procurements, fixed assets, employees, financial management, technology, etc.), other transactional processes (travel, maintenance and warehouse expenses, etc.) and compliance (ICFR, etc.).
- The definition of the frequency of the reviews for each of the foregoing processes based on the company classification.

In relation to the financial information and the general model of the SCIIF, in 2019 a review was made on the operation of the controls on relevant operations, judgments and estimates and preparation of the financial information. Likewise, reviews have been carried out on the

controls of general risks and information systems that are reviewed by applying the periodicity determined by the general review criteria of Internal Audit.

The potential weaknesses identified in all of the reviews are classified by criticality, assigned to a supervisor and subject to monitoring until they are resolved.

As a result of the ICFR assessment activities conducted by the Internal Audit function in 2019, which were submitted to the ACC, no material weaknesses were detected which might have a material impact on the Group's financial reporting for 2019, and the corrective measures required to resolve other potential weaknesses in the future having been implemented.

Also, the external auditor, as mentioned in section F.7.1., issues an annual agreed-upon procedures report on the description of the ICFR system prepared by Abertis in which no matters worthy of note arose.

F.5.2 Indicate whether there is a discussion procedure whereby the financial auditor (pursuant to TSAs), the internal audit department and other experts can report any significant internal control weaknesses encountered during their review of the financial statements or other reviews they have been engaged to perform to the company's senior executives and its Audit Committee or Board of Directors. State also whether the entity has an action plan to correct or mitigate the weaknesses identified.

As indicated above in section F.3.1, Abertis' "Review, Authorisation and Supervision of Financial Reporting Policy" establishes the ACC's review procedure which includes the following:

- Meetings with those responsible for the preparation of the financial reporting (Corporate Management Control and Planning Department) to discuss the reasonableness of the changes in the aggregates, the most significant transactions or events during the period, changes in accounting policies, any unusual fluctuations and any other information deemed relevant.
- Discussions with the Internal Audit function (as part of the ongoing monitoring of reviews and recommendations made throughout the year) to obtain information on the level of compliance with the Plan and with the findings of the reviews performed (including ICFR) and on the current status of any recommendations made to improve the potential weaknesses identified.
- Private discussions with the external auditors (at least on completion of the planning phase of the audit of the financial statements for the year and on completion of their audit and/or limited review procedures on the financial statements and the half-yearly reporting) in order to obtain information on the scope and findings of their work and on any potential significant internal control weaknesses identified, the content of their reports and any other information deemed appropriate

F.6. Other relevant information

No additional aspects were identified for disclosure.

F.7. External auditor's report

F.7.1 Whether the ICFR system information reported to the markets has been reviewed by the external auditor. If "yes", the related report should be included in the corresponding report as an Appendix. If "no", give reasons.

The external auditor reviewed Abertis' ICFR information that was reported for 2019. The scope of the auditor's review procedures was set in accordance with the Spanish Institute of Certified Public Accountants Circular E14/2013, of 19 July 2013, publishing the Draft Guidance and specimen auditor's report relating to the information on the system of internal control over the financial information (ICFR) of listed entities.

G. OTHER INFORMATION OF INTEREST

If there is any salient feature of corporate governance at the entity or the group entities that has not been dealt with in the other sections herein, and which it is necessary to include in order to provide the most complete and reasoned information on corporate governance structure and practices at the entity or its group, provide a brief description.

This section can include any other information, clarification or qualification relating to the previous sections of the report, provided that it is material and not repetitive.

In particular, indicate whether the entity is subject to any legislation other than the Spanish legislation on corporate governance, and if so, include the information that it is required to provide, where such information differs from that required in this report.

The entity may also indicate whether it has voluntarily adhered to any other codes of ethical principles or good practice of an international, industry-specific or other nature. If so, state the code in question and the date of adherence thereto.

CONTINUATION OF SECTION B.3

Fifth item on the agenda: Approval of the submission of the Merger to the special tax regime established in Chapter VII of Title VII of Law 27/2014, of November 27, on Corporation Tax.

It was agreed to approve, as established in the Common Merger Plan, the special tax regime established in Chapter VII of Title VII of Law 27/2014, of November 27, on Corporation Tax.

For this purpose, and as provided in article 89 of the aforementioned legal text and in articles 48 and 49 of the Corporate Tax Regulation approved by Royal Decree 634/2015, of July 10, it was approved to communicate the implementation of the Fusion operation described and the application of the aforementioned tax regime to the Ministry of Finance in the manner and period established by regulation.

This resolution was adopted by the affirmative vote of 99.9894% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

At the Ordinary General Meeting held on March 19, 2019, the agreements adopted were the following:

First item on the agenda: The Annual Accounts, both individual and consolidated, were approved for the year 2018 and the respective Management Reports, which had been verified by the company's Auditors. The Annual Accounts included the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Net Equity and the Cash Flow Statement and the Report, which resulted in a benefit of € 2,406,758,000.76 in the individual.

This resolution was adopted by the affirmative vote of 99.9877% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Second item on the agenda: The application of the result corresponding to the fiscal year ended December 31, 2018 and the payment of a dividend in charge of the fiscal year 2018 of € 875,102,756.16 were approved, representing 0.96 euros gross for each of the currently existing and outstanding shares entitled to receive dividends on the date of payment.

This resolution was adopted by the affirmative vote of 99.9877% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Third item on the agenda: The Integrated Annual Report for 2018 was approved, which included the consolidated non-financial statement.

This resolution was adopted by the affirmative vote of 99.9877% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Fourth item on the agenda: The management of the company's Board of Directors was approved during the fiscal year ended December 31, 2018.

This resolution was adopted by the affirmative vote of 99.9877% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Fifth item on the agenda: In accordance with the proposal of the Board of Directors, he was re-elected as Account Auditor of the company, both for individual and consolidated accounts, for a period of one year, that is, for the year 2019, to the firm "Deloitte, SL", with NIF number B-79104469 and domicile in Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020 Madrid.

This resolution was adopted by the affirmative vote of 99.9078% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Sixth item on the agenda: An extraordinary dividend was distributed with a charge to the merger reserve amounting to € 9,963,409,505.03, representing a gross € 10.93 for each of the existing shares at that time and in circulation with the right to receive dividends on the date of payment. This dividend includes the proportional allocation of which, where appropriate, would correspond to the shares in treasury stock.

This resolution was subject to the suspensive condition that the merger between Abertis Infraestructuras, S.A. (Sociedad Absorbente) and Abertis Participaciones, S.A., Sociedad Unipersonal (Sociedad Absorbida) was fully effective, understood as such, that it was registered in the Mercantile Registry of Madrid.

This resolution was adopted by the affirmative vote of 99.8601% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

Seventh item on the agenda: For the purpose of adapting the remuneration policy to the new social reality due to the exclusion of negotiation of the shares representing the entire share capital of Abertis Infraestructuras, S.A. in the Spanish stock exchanges and the new shareholding structure, the General Meeting, on the initiative of its majority partner, Abertis HoldCo, SA, agreed to modify section 3 "Remuneration policy of the Executive Director in the performance of executive functions" of said policy .

This resolution was adopted by the affirmative vote of 99.8586% of the shares present or represented on the General Meeting (excluding the Company's treasury shares).

COMMENT TO SECTION C.2.2

In this section, we have been required to identify if the members of the Committees are executive, proprietary, independent or other external. These categories apply only to listed companies. Nevertheless, the spaces in the questionnaire require us to fill in a category. Thus, owing to the fact that all board members have been appointed at the proposal of the shareholders representing the 98.7 % of the Company's share capital, the category which has been filled in the questionnaire has been "proprietary", although such category does not apply to non listed companies.

CONTINUATION OF SECTION D.4

The obligation not to compete with the company may only be subject to a waiver in the event that it does not fit to expect harm to the company or the person who can wait is compensated for the benefits that are expected to be obtained from the waiver. The waiver will be granted by express agreement and separate from the General Meeting. In any case, at the request of any partner, the General Meeting will decide on the cessation of the director who develops competitive activities when the risk of damage to the company has become relevant.

Finally, the Internal Code of Conduct of the Company in matters related to the securities markets, establishes that the Affected Persons will act in a conflict of interest situation at all times with loyalty to the Company, regardless of their own interests or those of others and must refrain from intervene or influence decision-making on issues affected by the conflict. Such persons must also communicate to the Company the possible conflicts of interest to which they are subjected by their family relationships, their personal assets, their activities outside the Company or for any other cause.

This Annual Corporate Governance Report was approved by the entity's Board of Directors or managing body at its meeting held on 4th March 2020.

Indicate any directors or members of the managing body who voted against or abstained in relation to the approval of this Report.