

APPENDIX I

ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED COMPANIES

ISSUER'S PARTICULARS

END DATE OF REFERENCE FINANCIAL YEAR	31/12/2017
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EMPLOYER ID NO. (C.I.F.)	A-08209769
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COMPANY NAME

ABERTIS INFRAESTRUCTURAS, S.A.

REGISTERED OFFICE

PASEO DE LA CASTELLANA, 39, MADRID

ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED COMPANIES

A OWNERSHIP STRUCTURE

A.1 Fill out the following table on the company's share capital:

Date of last change	Share capital (EUR)	Number of shares	Number of voting rights
14/06/2016	2,971,143,924.00	990,381,308	990,381,308

Indicate whether there are different classes of shares carrying different rights:

Yes

No

A.2 List the direct and indirect holders of significant ownership interests in the company at year-end, excluding directors:

Shareholder's name or company name	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)	0	213,437,829	21.55%
BLACKROCK, INC.	0	37,841,638	3.82%
DAVIDSON KEMPNER CAPITAL MANAGEMENT LP	0	32,926,153	3.32%
CAPITAL RESEARCH AND MANAGEMENT COMPANY	0	28,192,080	2.85%
LAZARD ASSET MANAGEMENT LLC	0	28,461,300	2.87%

Name or company name of indirect shareholder	Through: Name or company name of direct shareholder	Number of voting rights
FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)	CRITERIA CAIXA, S.A.U.	149,265,272
FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)	INVERSIONES AUTOPISTAS, S.A.	60,123,057
FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)	G3T, S.L.	2,590,000
FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)	BCN GODIA, S.L.	1,459,500
BLACKROCK, INC.	BLACKROCK GROUP	37,841,638
DAVIDSON KEMPNER CAPITAL MANAGEMENT LP	BURLINGTON LOAN MANAGEMENT DAC	32,926,153
CAPITAL RESEARCH AND MANAGEMENT COMPANY	CAPITAL RESEARCH AND MANAGEMENT COMPANY	28,192,080
LAZARD ASSET MANAGEMENT LLC	LAZARD ASSET MANAGEMENT LLC	28,461,300

Detail the most significant changes in shareholder structure during the year:

Shareholder's name or company name	Transaction date	Transaction description
CAPITAL RESEARCH AND MANAGEMENT COMPANY	29/06/2017	Ownership interest has fallen below 10% of share capital
CAPITAL RESEARCH AND MANAGEMENT COMPANY	29/09/2017	Ownership interest has fallen below 5% of share capital

Shareholder's name or company name	Transaction date	Transaction description
CAPITAL RESEARCH AND MANAGEMENT COMPANY	02/10/2017	Ownership interest has fallen below 3% of share capital
LAZARD ASSET MANAGEMENT LLC	13/11/2017	Ownership interest has fallen below 3% of share capital
SOCIETE GENERALE	13/11/2017	Ownership interest has risen above 3% of share capital
SOCIETE GENERALE	16/11/2017	Ownership interest has fallen below 3% of share capital
DAVIDSON KEMPNER CAPITAL MANAGEMENT LP	15/12/2017	Ownership interest has risen above 3% of share capital

A.3 Fill out the following tables on the members of the company's Board of Directors who own shares in the company:

Name or company name of director	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
SANDRINE LAGUMINA	0	0	0.00%
MARINA SERRANO GONZÁLEZ	0	0	0.00%
MÓNICA LÓPEZ-MONÍS GALLEGO	24	0	0.00%
MARCELINO ARMENTER VIDAL	10,500	0	0.00%
JUAN-JOSÉ LÓPEZ BURNIOL	0	0	0.00%
SALVADOR ALEMANY MAS	227,792	0	0.02%
MARIA TERESA COSTA CAMPI	879	0	0.00%
CARLOS COLOMER CASELLAS	1	1,000	0.00%
FRANCISCO REYNÉS MASSANET	0	35,405	0.00%
SUSANA GALLARDO TORREDEDIA	694	0	0.00%
LUIS GUILLERMO FORTUÑO	0	0	0.00%
G3T, S.L.	2,590,000	0	0.26%
ENRICO LETTA	0	0	0.00%
FRANCISCO JAVIER BROSSA GALOFRÉ	1,000	0	0.00%
ANTONIO VIANA BAPTISTA	0	0	0.00%

Name or company name of indirect shareholder	Through: Name or company name of direct shareholder	Number of voting rights
CARLOS COLOMER CASELLAS	AHORRO BURSÁTIL, S.A. SICAV	1,000
FRANCISCO REYNÉS MASSANET	FRINYCO, S.L.	35,405

% of total voting rights held by the Board of Directors	0.28%
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Fill out the following tables on the members of the company's Board of Directors that hold rights over company shares.

A.4 Indicate, as appropriate, any relationships of a family, commercial, contractual or corporate nature existing between the holders of significant ownership interests, insofar as they are known to the company, unless they have scant relevance or arise from the ordinary course of business:

A.5 Indicate, as appropriate, any relationships of a commercial, contractual or corporate nature existing between the holders of significant ownership interests and the company and/or its group, unless they have scant relevance or arise from the ordinary course of business:

Name or company name of related persons
FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)
ABERTIS INFRAESTRUCTURAS, S.A.

Type of relationship: Commercial

Brief description:

The existing relationships arise from the ordinary course of business. See section D.2.

A.6 Indicate any shareholders agreements that have been disclosed to the company pursuant to Articles 530 and 531 of the Spanish Limited Liability Companies Law. Provide a brief description of the shareholders agreement and list the shareholders bound by the agreement, as appropriate:

Yes No

Parties to the shareholders agreement
BCN GODIA, S.L.
CRITERIA CAIXA, S.A.U.

Percentage of share capital affected: 0.15%

Brief agreement description:

On 01/12/2016 (significant event 246251), Criteria Caixa, S.A.U. entered into a voting trust agreement relating to Abertis shares with BCN Godia, S.L.U., whereby Criteria Caixa obtained the voting rights corresponding to 1,459,500 Abertis shares. The agreement has been in force since 01/01/2017.

Parties to the shareholders agreement
G3T, S.L.
CRITERIA CAIXA, S.A.U.

Percentage of share capital affected: 0.26%

Brief agreement description:

On 01/12/2016 (significant event 246251), Criteria Caixa, S.A.U. entered into a voting trust agreement relating to Abertis shares with G3T, S.L., whereby Criteria Caixa obtained the voting rights corresponding to 2,887,500 Abertis shares (2,590,000 shares at 31/12/2017). This agreement has been in force since 01/01/2017.

Indicate, as appropriate, any concerted action among the company's shareholders that is known to the company. Give a brief description, if applicable:

Yes No

Expressly indicate any amendment to or termination of such agreements or concerted action during the year:

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A.7 Indicate whether there is any individual or legal entity that exercises, or can exercise, control over the company, in accordance with Article 4 of the Securities Market Law. Identify if appropriate:

Yes

No

Observations

A.8 Fill out the following tables on the company's treasury shares:

At year-end:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
78,815,937	0	7.96%

(*) Through:

Explain any significant changes during the year pursuant to Spanish Royal Decree 1362/2007:

Explain any significant changes

With regard to the 8.25% of treasury shares at 31 December 2016, the main and most important change that resulted in the current 7.96% interest is:

On 3 April 2017, the General Shareholders' Meeting resolved to offer shareholders a dividend charged to voluntary reserves, with the option of receiving the dividend in cash or in Abertis Infraestructuras, S.A. shares from the treasury share portfolio. Lastly, 15.3% of the share capital of Abertis Infraestructuras, S.A. opted to collect this dividend in the company's shares. This resulted in the delivery of 2.9 million treasury shares, representing 0.29% of the share capital of Abertis Infraestructuras, S.A.

A.9 Specify the conditions and period of the current authorisation granted by the shareholders' meeting to the Board of Directors to issue, repurchase or transfer treasury shares.

In accordance with the resolutions adopted by the shareholders at the Annual General Meeting of 1 April 2014, the Company's Board Directors is authorised to carry out the derivative acquisition of the Company's treasury shares, directly or indirectly through other companies, and exercise pre-emption rights over them by any of the means permitted by law (including, by way of example, but not limited to, purchase and sale, exchange and award in payment). Under no circumstances may the par value of the treasury shares acquired under this authorisation, which are added to those already held by the Company and its subsidiaries, exceed 10% of the Company's share capital at the date of acquisition, for a price equal to the market price at the close of the trading day immediately preceding the day on which the acquisition takes place, within a maximum range of 10% above or below the aforementioned closing market price, and within five (5) years from the date on which this resolution was passed by the shareholders at the Company's General Meeting. All of the above shall be carried out within the other limits and requirements pursuant to the current Consolidated Spanish Limited Liabilities Companies Law, rendering null and void the unused part of the previous authorisation resolved upon by the Company's General Meeting of 27 April 2010.

This authorisation to acquire treasury shares may be used in full or in part for the acquisition of shares of the Company that the latter is required to deliver or transfer to directors, executives or employees of the Company and/or other Abertis Group companies as a consequence of the implementation of remuneration systems based on the delivery of shares and/or grant of share options.

The General Meeting also empowered the Company's Board of Directors to exercise, in the broadest terms, the authorisation granted under this resolution and to carry out the remaining provisions thereof. In turn, if it considers it appropriate, it may delegate the exercise of this authorisation and the performance of the other provisions, in the manner and under the regime it considers appropriate, to the Chairman, the CEO, to any other director, to the Secretary or to the Deputy Secretary of the Board of Directors or any other person(s) empowered expressly by the Board of Directors for that purpose.

The shareholders at the Annual General Meeting also authorised the Board of Directors to reduce the Company's share capital in order to retire any treasury shares held on the balance sheet, with a charge to profit for the year or to unrestricted reserves, for the amount deemed at any time to be appropriate or necessary, up to the maximum number of treasury shares held at any given time.

Lastly, the General Meeting has delegated the Board of Directors with implementing the preceding resolution to reduce share capital, which may be carried out once or several times and within the maximum time limit of five years following the date of approval of this resolution, carrying out such procedures, steps and authorisations as may be needed or required by the Spanish Limited Liability

Companies Law and other provisions that may be applicable. In particular, authority is delegated to the Board of Directors so that, within the deadlines and limits indicated for such implementation, it may establish the date(s) of the specific capital reduction(s), where appropriate; set the amount of the reduction; determine the use of the amount of the reduction and provide, as applicable, any guarantees and comply with the legal requirements; adapt Article 5 of the bylaws to the new share capital figure; apply for the de-listing of the retired securities; adopt, in general, such resolutions as may be required for the purposes of the aforementioned retirement and subsequent capital reduction; and appoint the persons that may be involved in the execution thereof

A.9 bis Estimated free float:

	%
Estimated free float	57.63

A.10 Indicate any restriction 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.

Yes No

A.11 Indicate whether the General Meeting has resolved to take measures to neutralise a takeover bid under Law 6/2007.

Yes No

If applicable, explain the measures adopted and the terms under which the restrictions shall be rendered ineffective:

A.12 Indicate whether the company has issued securities not traded in a regulated market of the European Union.

Yes No

If applicable, identify the various classes of shares and, for each class of shares, the rights and obligations they carry.

B GENERAL MEETING

B.1 Indicate and give details, where appropriate, if the quorums for convening the General Meeting differ from the system of minimum quorums established in the Spanish Limited Liability Companies Law (LSC).

Yes No

B.2 Indicate and give details, where appropriate of any differences between the company's system for adopting corporate resolutions and the system established in the Spanish Limited Liability Companies Law (LSC).

Yes No

Describe the differences with respect to the rules established in the LSC.

B.3 Indicate the applicable rules on amendments to the company's bylaws. In particular, indicate the majorities required to amend the bylaws and, where applicable, the rules provided for safeguarding shareholders' rights when amending the bylaws.

The provisions of the Spanish Limited Liability Companies Law on the majorities for amending the Company's bylaws are applied.

B.4 Indicate the data on attendance at the General Meetings held in the year to which this report refers and in the preceding year.

Date of General Meeting	Attendance data				Total
	% attendance in person	% attendance by proxy	% remote voting		
			Electronic voting	Other	
12/04/2016	0.72%	64.93%	0.00%	0.20%	65.85%
03/04/2017	23.19%	39.15%	0.00%	1.88%	64.22%

B.5 Indicate whether there are any restrictions in the bylaws establishing a minimum number of shares needed to attend General Meetings:

Yes

No

Number of shares required to attend General Meetings	1,000
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B.6 Section annulled

B.7 Indicate the URL and the means of accessing corporate governance content and other information on General Meetings that must be made available to the shareholders on the company's website.

The "Investor Relations" section of the website www.abertis.com contains the information required under Article 539.2 of the Spanish Limited Liability Companies Law, Article 13.1 of Ministry of Economy and Competitiveness Order ECC/461/2013, of 20 March, and Spanish National Securities Market Commission (CNMV) Circular 3/2015, of 23 June.

The information on the website is available in three languages: Spanish, Catalan and English.

C MANAGEMENT STRUCTURE OF THE COMPANY

C.1 Board of Directors

C.1.1 Give details of the maximum and minimum number of directors as per the bylaws:

Maximum number of directors	15
Minimum number of directors	6

C.1.2 Fill out the following table with directors' particulars:

Name or company name of director	Representative	Category of director	Position on the Board	Date of first appoint	Date of last appoint	Appointment procedure
SANDRINE LAGUMINA		Independent	DIRECTOR	28/06/2016	03/04/2017	RESOLUTION OF GENERAL MEETING
MARINA SERRANO GONZÁLEZ		Independent	DIRECTOR	28/06/2016	03/04/2017	RESOLUTION OF GENERAL MEETING

MÓNICA LÓPEZ- MONÍS GALLEGO		Independent	DIRECTOR	20/03/2013	20/03/2013	RESOLUTION OF GENERAL MEETING
MARCELINO ARMENTER VIDAL		Proprietary	DIRECTOR	18/09/2007	20/03/2013	RESOLUTION OF GENERAL MEETING
JUAN-JOSÉ LÓPEZ BURNIOL		Proprietary	DIRECTOR	28/07/2015	12/04/2016	RESOLUTION OF GENERAL MEETING
SALVADOR ALEMANY MAS		Proprietary	CHAIRMAN	21/07/1998	20/03/2013	RESOLUTION OF GENERAL MEETING
MARIA TERESA COSTA CAMPI		Independent	DIRECTOR	20/03/2013	20/03/2013	RESOLUTION OF GENERAL MEETING
CARLOS COLOMER CASELLAS		Independent	DIRECTOR	24/07/2012	20/03/2013	RESOLUTION OF GENERAL MEETING
FRANCISCO REYNÉS MASSANET		Executive	DEPUTY CHAIRMAN CEO	26/05/2009	24/03/2015	RESOLUTION OF GENERAL MEETING
SUSANA GALLARDO TORREDEDIA		Proprietary	DIRECTOR	13/03/2014	01/04/2014	RESOLUTION OF GENERAL MEETING
LUIS GUILLERMO FORTUÑO		Independent	DIRECTOR	29/11/2016	03/04/2017	RESOLUTION OF GENERAL MEETING
G3T, S.L.	CARMEN GODIA BULL	Proprietary	DIRECTOR	29/11/2005	03/04/2017	RESOLUTION OF GENERAL MEETING
ENRICO LETTA		Independent	DIRECTOR	29/11/2016	03/04/2017	RESOLUTION OF GENERAL MEETING
ANTONIO VIANA BAPTISTA		Independent	DIRECTOR	09/03/2017	03/04/2017	RESOLUTION OF GENERAL MEETING
FRANCISCO JAVIER BROSSA GALOFRÉ		Independent	DIRECTOR	28/02/2017	03/04/2017	RESOLUTION OF GENERAL MEETING

Total number of directors	15
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Indicate any vacation of office by Board members during the year:

Name or company name of director	Category of director on date of vacation of office	Date of departure
MIGUEL ÁNGEL GUTIÉRREZ MÉNDEZ	Independent	04/01/2017
GRUPO VILLAR MIR, S.A.	Proprietary	31/01/2017

C.1.3 Fill out the following tables on the members of the Board and their status:

EXECUTIVE DIRECTORS

Name or company name of director	Position per company organisational chart
FRANCISCO REYNÉS MASSANET	DEPUTY CHAIRMAN-CEO

Total executive directors	1
% of total members of Board of Directors	6.67%

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of director	Name or company name of significant shareholder represented or proposing appointment
MARCELINO ARMENTER VIDAL	CRITERIA CAIXA, S.A.U.
JUAN-JOSÉ LÓPEZ BURNIOL	CRITERIA CAIXA, S.A.U.

Name or company name of director	Name or company name of significant shareholder represented or proposing appointment
SALVADOR ALEMANY MAS	CRITERIA CAIXA, S.A.U.
SUSANA GALLARDO TORREDEDIA	CRITERIA CAIXA, S.A.U.
G3T, S.L.	INVERSIONES AUTOPISTAS, S.A.

Total proprietary directors	5
% of total members of Board of Directors	33.33%

EXTERNAL INDEPENDENT DIRECTORS

Name or company name of director:

SANDRINE LAGUMINA

Profile:

Graduate of the French Ecole Nationale d'Administration (ENA) and has an extensive educational background in political sciences and law.

Occupied various posts in the Gaz de France-Suez Group (now, Engie) from 2005 to 2017. Prior to this, she worked for the French Ministry of Economy, Finance and Industry (2000-2005) as the Director of International Public Law in the Directorate of Legal Affairs. Currently she exercises functions as Chief Operating Officer, Assist Management for Meridiam.

Name or company name of director:

MARINA SERRANO GONZÁLEZ

Profile:

Government lawyer (1982 graduating class) and Graduate in Law and in Philosophy and Arts from Universidad de Zaragoza.

Her professional career has been developed in the energy field, through the Spanish National Electricity System Commission and the Spanish National Energy Commission (CNE), where she was a member of the Board (1995-2013), and as the secretary of the Board of Directors and manager of the Legal Advisory Department of Red Eléctrica de España (1988-1995). She has been the Director-General of the Spanish Directorate General for State Assets (Ministry of Finance). She is currently the "of counsel" lawyer for the Public Law and Regulated Sectors Department at the Pérez Llorca law firm and Chair of the Spanish Electricity Industry Association (Asociación Española de la Industria Eléctrica - UNESA).

Name or company name of director:

MÓNICA LÓPEZ-MONÍS GALLEGO

Profile:

Graduate in Law, Economics and Business from Universidad Pontificia de Comillas. Spanish government lawyer.

General Manager and Chief Compliance Officer at Banco Santander.

Name or company name of director:

MARIA TERESA COSTA CAMPI

Profile:

PhD in Economics from Universidad de Barcelona.
Professor of Applied Economics at the School of Economic Sciences of Universidad de Barcelona.
Director of the Chair of Sustainable Energy at Universidad de Barcelona.
Ex-chair of the National Energy Commission.

Name or company name of director:

CARLOS COLOMER CASELLAS

Profile:

Graduate in Economics from Universidad de Barcelona.
Master's degree in Business Administration from the IESE Business School (Barcelona).
Chairman and CEO of Ahorro Bursátil, S.A. SICAV
Chairman and CEO of Inversiones Mobiliarias Urquiola, S.A. SICAV.
Chairman and CEO of Haugron Capital SCR de Régimen Simplificado, S.A.
Chairman and CEO of Haugron Holdings, S.L.
Chairman and CEO of Staubinus España, S.L.
Director of MDEF Partners, S.L.
Director acting severally of Romol Hair & Beauty Group, S.L.
Director acting severally of Norvo Haugron Capital Venture, S.L.

Name or company name of director:

LUIS GUILLERMO FORTUÑO

Profile:

Graduate in Law from the University of Virginia (US). He was the 9th Governor of the Commonwealth of Puerto Rico from 2009 to 2012. He is a former president of the New Progressive Party (PNP) and a member of the US Republican Party.

Name or company name of director:

ENRICO LETTA

Profile:

Graduate in Political Sciences from Università di Pisa and Doctor in Community Law from Scuola Superiore Sant'Anna di Studi Universitari e di Perfezionamento (SSSUP). He was the Prime Minister of Italy from 2013 to 2014, and a Member of the European Parliament from 2004 to 2006, among other posts.

Name or company name of director:

FRANCISCO JAVIER BROSSA GALOFRÉ

Profile:

Xavier Brossa was the partner responsible for the Barcelona office of PricewaterhouseCoopers for 10 years, until he stepped down in July 2016.

He ceased being a partner in and employee of that company in January 2017.

He currently works as a freelance economist.

Name or company name of director:

ANTONIO VIANA BAPTISTA

Profile:

Graduate in Economics from Universidade Católica Portuguesa and holds an MBA from INSEAD. He has held the posts of Executive Chairman of Telefónica Spain and CEO of Crédit Suisse Spain and Portugal, among other posts. He was previously a Principal Partner in the Madrid and Lisbon offices of McKinsey & Co, and was the Director of the Portuguese Investment Bank (BPI).

Total independent directors	9
% of total members of Board of Directors	60.00%

Indicate whether any director classified as independent receives from the company or the group any payment or benefits other than directors' remuneration, or having business dealings with the company or any group company or who have held such dealings in the preceding year on their own account or as a significant shareholder, director or senior executive of a company that has or has had such dealings.

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Where applicable, include a statement from the Board detailing the reasons why the director(s) in question may carry on duties as an independent director.

OTHER EXTERNAL DIRECTORS

Identify the other external directors and explain the reasons why they cannot be considered independent or proprietary, and detail their relationships with the company, its executives or shareholders.

Indicate any changes in the category of each director during the year:

C.1.4 Fill out the following table on the number of female directors at year-end in the past four years and their respective category:

	Number of female directors				% of total directors in each category			
	2017	2016	2015	2014	2017	2016	2015	2014
Executive	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Proprietary	2	2	2	2	33.33%	33.33%	22.22%	18.18%
Independent	4	4	2	2	50.00%	50.00%	50.00%	50.00%
Other external directors	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Total:	6	6	4	4	40.00%	40.00%	28.57%	23.53%

C.1.5 Explain the measures, where applicable, taken by the company to try to include enough female members on the Board of Directors to ensure an equal representation of men and women.

Explanation of measures

The Board's intention over recent years has been to increase the number of female directors on the Board. To this end, the Board Regulations establish that priority shall be given to diversity of gender, experience and knowledge when filling a vacancy.

Additionally, the Company's Director Selection and Appointment Policy approved by the Board of Directors on 15 December 2015 aims, among other objectives, to promote equal representation of women and men on the Board, while avoiding any kind of inherent bias that might imply discrimination in any way.

Application of the Board Regulations and the Director Selection and Appointment Policy has led to the number of female directors on the Board increasing to 40% of total members.

C.1.6 Explain the measures agreed upon, where applicable, by the Nomination Committee to ensure that the selection procedures are not subject to any implicit bias that would make it difficult to select female directors, and that women with the target profile are deliberately sought and included as potential candidates:

Explanation of measures

The Company has made a conscious effort over recent years to include women possessing the target profile among the candidates for vacancies on the Board of Directors.

If despite the measures implemented, as the case may be, the number of female board members is still scant or non-existent, explain the reasons for this situation:

Explanation of the reasons

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C.1.6 bis Explain the Nomination Committee's conclusions regarding the verification of compliance with the director selection policy. And, in particular, how that policy is encouraging the achievement of the target for women directors to represent at least 30% of the total members of the Board of Directors by 2020.

Explanation of the conclusions

No women were appointed as directors in 2017, as the number of female directors on the Board has stood at 40% since 2016, easily complying with the target set in the Spanish Code of Good Governance for Listed Companies.

C.1.7 Explain how shareholders that hold significant ownership interests are represented on the Board.

The only significant shareholder is "la Caixa", which is represented by five proprietary directors, of whom four are individuals and one is a legal entity.

C.1.8 Explain, where applicable, the reasons why proprietary directors were appointed at the request of shareholders holding ownership interests of less than 3% of the share capital:

Detail any failure to address formal requests for Board representation from shareholders with ownership interests equal to or exceeding those of others at whose request proprietary directors were appointed. If so, explain the reasons why the request was not entertained:

Yes

No

C.1.9 Indicate whether any Board member has resigned from his/her post before the end of his/her term of office, whether reasons were given to the Board and by what means. If they were given in writing, explain at least the reasons given by the Board member:

Name of director:

GRUPO VILLAR MIR, S.A.

Reasons for resignation:

Significant reduction of almost all of their ownership interest.

C.1.10 Indicate, if any, the powers delegated to the chief executive officer(s):

Name or company name of director:

FRANCISCO REYNÉS MASSANET

Brief description:

All delegable powers of representation, management, and disposal.

C.1.11 Identify, as appropriate, the Board members who hold office as directors or executives at other companies forming part of the listed company's group:

Name or company name of director	Company name of group company	Position	Does the Board member perform executive
FRANCISCO REYNÉS MASSANET	ARTERIS, S.A.	DIRECTOR	NO
FRANCISCO REYNÉS MASSANET	A4 HOLDING, S.P.A.	DIRECTOR	NO
FRANCISCO REYNÉS MASSANET	HOLDING D'INFRAESTRUCTURES DE TRANSPORT, S.A.S.	SOLE DIRECTOR	NO
FRANCISCO REYNÉS MASSANET	SANEF, S.A.	DIRECTOR	NO
FRANCISCO REYNÉS MASSANET	HOLDING D'INFRAESTRUCTURES DE TRANSPORT 2, S.A.S.	CHAIRMAN	NO
FRANCISCO REYNÉS MASSANET	VIAS CHILE, S.A.	CHAIRMAN	NO
FRANCISCO REYNÉS MASSANET	AUTOPISTAS AUMAR, S.A. CONCESIONARIA DEL ESTADO	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	AUTOPISTES DE CATALUNYA, S.A. CONCESSIONÀRIA DE LA GENERALITAT DE CATALUNYA	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	ABERTIS TELECOM SATELITES, S.A.	DIRECTOR ACTING SEVERALLY	NO

FRANCISCO REYNÉS MASSANET	AUTOPISTAS, CONCESIONARIA ESPAÑOLA, S.A.	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	CELLNEX TELECOM, S.A.	CHAIRMAN	NO
FRANCISCO REYNÉS MASSANET	INFRAESTRUCTURES VIÀRIES DE CATALUNYA, S.A. CONCESSIONÀRIA DE LA GENERALITAT DE CATALUNYA	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	ABERTIS INTERNACIONAL, S.A.U.	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	SOCIETAT D AUTOPISTES CATALANES, S.A.	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	HISPASAT, S.A.	DIRECTOR	NO
FRANCISCO REYNÉS MASSANET	ABERTIS AUTOPISTAS ESPAÑA, S.A.	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	CASTELLANA DE AUTOPISTAS, S.A. CONCESIONARIA DEL ESTADO	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	AUTOPISTAS DE LEÓN, S.A. CONCESIONARIA DEL ESTADO	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	IBERPISTAS, S.A. CONCESIONARIA DEL ESTADO	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	PARTICIPES EN BRASIL, S.A.	CHAIRMAN	NO
FRANCISCO REYNÉS MASSANET	INVERSORA DE INFRAESTRUCTURAS, S.L.	CHAIRMAN	NO
FRANCISCO REYNÉS MASSANET	PARTICIPES EN BRASIL II, S.L.	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	ABERTIS INDIA, S.L.	DIRECTOR ACTING SEVERALLY	NO
FRANCISCO REYNÉS MASSANET	ABERTIS MOBILITY SERVICES, S.L.	DIRECTOR ACTING SEVERALLY	NO

C.1.12 Give details, as appropriate, of any directors of the company who are members of the Boards of Directors of other non-group companies that are listed on official securities markets, as disclosed to the company:

Name or company name of director	Company name of group company	Position
MARCELINO ARMENTER VIDAL	GAS NATURAL SDG, S.A.	DIRECTOR
CARLOS COLOMER CASELLAS	AHORRO BURSÁTIL, S.A. SICAV	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
CARLOS COLOMER CASELLAS	INVERSIONES MOBILIARIAS URQUIOLA, S.A. SICAV	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
CARLOS COLOMER CASELLAS	HAUGRON CAPITAL SCR DE RÉGIMEN SIMPLIFICADO, S.A.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
G3T, S.L.	ECOLUMBER, S.A.	DIRECTOR
MARCELINO ARMENTER VIDAL	GRUPO FINANCIERO INBURSA	DIRECTOR
SANDRINE LAGUMINA	FNAC DARTY	DIRECTOR
ANTONIO VIANA BAPTISTA	SEMAPA	DIRECTOR
ANTONIO VIANA BAPTISTA	JERONIMO MARTINS	DIRECTOR

C.1.13 Indicate and, where appropriate, explain whether the company has established rules on the number of boards on which its directors may sit:

Yes

No

Explanation of rules

In accordance with Article 19 of the Board Regulations, the directors may not be members of more than five boards of listed companies or of a total of ten companies. For these purposes, the positions held on the boards of companies in the same group and of companies in which the company has a significant ownership interest, or those appointments made on the proposal of the same significant shareholder or entities in its group, shall count as one appointment. The calculation shall not include the directors of professional companies, asset-holding companies or corporate vehicles, or the collective bodies of not-for-profit entities.

C.1.14 Section annulled

C.1.15 Indicate the total remuneration of the Board of Directors:

Remuneration of the Board of Directors (in thousands of euros)	5,081
Amount of the accumulated pension rights held by the current directors (in thousands of euros)	18,142
Amount of the accumulated pension rights held by former directors (in thousands of euros)	0

C.1.16 Identify the senior executives who are not executive directors and indicate the total remuneration paid to them during the year:

Name or company name	Position
FRANCISCO JOSÉ ALJARO NAVARRO	CHIEF FINANCIAL OFFICER
DAVID DÍAZ ALMAZÁN	CEO OF ARTERIS - BRAZIL
JORDI LAGARES PUIG	HEAD OF AUDIT, RISK AND COMPLIANCE
CARLOS ESPINÓS GÓMEZ	CEO OF HISPASAT
JOSÉ LUIS GIMÉNEZ SEVILLA	GENERAL MANAGER, INDUSTRIAL
MARTA CASAS CABA	HEAD OF LEGAL ADVISORY AND GENERAL DEPUTY SECRETARY
LUIS DEULOFEU FUGUET	GENERAL MANAGER OF SANEF FRANCE
ANNA BONET OLIVART	GENERAL MANAGER OF TOLL ROADS - SPAIN
JOSEP MARIA CORONAS GUINART	GENERAL SECRETARY AND CORPORATE GENERAL MANAGER
JOAN RAFEL HERRERO	HEAD OF PEOPLE AND ORGANISATION
CARLOS FRANCISCO DEL RÍO CARCAÑO	EXECUTIVE CHAIRMAN OF A4 HOLDING - ITALY
LUIS MIGUEL DE PABLO RUIZ	GENERAL MANAGER OF TOLL ROADS - CHILE
SEBASTIÁN MORALES MENA	HEAD OF DEVELOPMENT
Total remuneration for senior executives (in thousands of euros)	17,181

C.1.17 Indicate, as appropriate, which members of the Board are, in turn, members of the boards of directors of companies that hold significant ownership interests in the listed company and/or group companies:

Name or company name of director	Name or company name of significant shareholder	Position
MARCELINO ARMENTER VIDAL	CAIXA CAPITAL RISC, S.G.E.I.C., S.A.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
MARCELINO ARMENTER VIDAL	CAIXA INVIERTE INDUSTRIA S.C.R. DE REGIMEN SIMPLIFICADO, S.A.	CHAIRMAN
JUAN-JOSÉ LÓPEZ BURNIOL	CRITERIA CAIXA, S.A.U.	DIRECTOR
SALVADOR ALEMANY MAS	SABA INFRAESTRUCTURAS, S.A.	CHAIRMAN

Name or company name of director	Name or company name of significant shareholder	Position
MARCELINO ARMENTER VIDAL	INMO CRITERIA CAIXA, S.A.	DIRECTOR
MARCELINO ARMENTER VIDAL	MEDITERRÁNEA BEACH & GOLF COMMUNITY, S.A.U.	CHAIRMAN
MARCELINO ARMENTER VIDAL	CAIXA CAPITAL FONDOS, S.C.R., S.A.U.	SOLE DIRECTOR
MARCELINO ARMENTER VIDAL	CAIXA CAPITAL MICRO, S.C.R., S.A.	SOLE DIRECTOR
MARCELINO ARMENTER VIDAL	CAIXA EMPRENDEDOR XXI, S.A.	SOLE DIRECTOR
MARCELINO ARMENTER VIDAL	CRITERIA VENTURE CAPITAL, S.A.	SOLE DIRECTOR
MARCELINO ARMENTER VIDAL	CAIXA CAPITAL BIOMED, S.C.R., S.A.	SOLE DIRECTOR
MARCELINO ARMENTER VIDAL	CAIXA CAPITAL TIC, S.C.R., S.A.	SOLE DIRECTOR

Give details, as appropriate, of any material relationships, other than those envisaged under the preceding heading, of the members of the Board of Directors with significant shareholders and/or at group companies:

Name or company name of related director:

MARCELINO ARMENTER VIDAL

Name or company name of related significant shareholder:

CRITERIA CAIXA, S.A.U.

Relationship:

General Manager

Name or company name of related director:

MARCELINO ARMENTER VIDAL

Name or company name of related significant shareholder:

CAIXA INVIERTE INDUSTRIA S.C.R. DE REGIMEN SIMPLIFICADO, S.A.

Relationship:

General attorney-in-fact

Name or company name of related director:

JUAN-JOSÉ LÓPEZ BURNIOL

Name or company name of related significant shareholder:

FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)

Relationship:

Deputy Chairman and Trustee

Name or company name of related director:

SALVADOR ALEMANY MAS

Name or company name of related significant shareholder:

FUNDACIÓN BANCARIA CAJA DE AHORROS Y PENSIONES DE BARCELONA (LA CAIXA)

Relationship:

Trustee

Name or company name of related director:

G3T, S.L.

Name or company name of related significant shareholder:

CRITERIA CAIXA, S.A.U.

Relationship:

G3T, S.L. is a minority shareholder of INVERSIONES AUTOPISTAS, S.L.

C.1.18 Indicate the amendments, if any, to the Board Regulations during the year:

Yes

No

C.1.19 Indicate the procedures for the selection, appointment, re-election, evaluation and removal of directors. Give details of the competent bodies, the formalities to be fulfilled and the criteria to be used in each of the procedures.

In accordance with Article 529.4 decies of the Spanish Limited Liability Companies Law and Article 19 of the Board Regulations, proposals for the appointment or re-election of members of the Board of Directors must be submitted by the Nomination and Remuneration Committee, in the case of independent directors, and by the Board of Directors itself in all other cases. These appointment or re-election proposals must be accompanied by a supporting report from the Board that assesses the competence, experience and merits of the proposed candidates. The proposal for appointment or re-election of any non-independent director must also be preceded by a report from the Nomination and Remuneration Committee.

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 Nomination and Remuneration Committee, 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.

Directors are appointed by the Annual General Meeting, or by the Board of Directors through co-optation.

Directors cease to hold office once their period of tenure has expired and when decided by the Annual General Meeting by virtue of the powers vested in it by law or the Company bylaws.

Directors must tender their resignation to the Board of Directors and, if the latter considers it appropriate, shall formally resign in the following cases:

- a) When they cease to hold the executive positions with which their appointment as director was associated. In the case of independent directors, once they have completed twelve (12) years in office.
- b) If they are subject to any of the grounds for conflict of interest or prohibition provided for by law.

c) If they are tried for an alleged criminal act, or are subject to a disciplinary proceeding conducted by supervisory authorities for a serious or very serious infringement.

d) When their remaining on the Board may jeopardise the Company's interests, or when the reasons for which they were appointed cease to exist. The latter circumstance shall be deemed to occur in the case of proprietary directors when the total ownership interest they own or represent is divested, or when the reduction of their interest requires a reduction in the number of proprietary directors.

Executive directors must tender their resignation to the Board once they have reached the age of 70, and the Board shall decide whether they may continue to discharge the executive functions delegated to them or simply continue as director.

In accordance with the Spanish Limited Liability Companies Law and the Spanish Code of Good Governance for Listed Companies, the Board of Directors performs an annual assessment of its functioning and that of its committees, proposing, where necessary and based on its findings, an action plan to correct any deficiencies found.

The various committees shall be assessed based on their reports to the Board of Directors, while the Nomination and Remuneration Committee's report shall be used to assess the Board of Directors.

The annual assessment of the Board of Directors for 2017 was conducted with the assistance of an external consultant, the independence of which was verified by the Nomination Committee. The result of the aforementioned assessment was satisfactory, indicating that virtually all of the recommendations of the Spanish Code of Good Governance for Listed Companies are fulfilled.

C.1.20 Explain to what extent the annual assessment of the Board has given rise to important changes in its internal organisation and on the procedures applicable to its activities:

Description of amendments

The Board of Directors evaluates its own functioning on a yearly basis. The 2017 annual assessment was conducted with the assistance of an independent external consultant, in accordance with Recommendation 36 of the Spanish Code of Good Governance for Listed Companies. Their report will be taken into consideration in 2018.
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The annual assessment of the Board of Directors for 2016 identified a requirement to improve the content of information and to provide it to directors earlier. Favourable progress has been made in this regard.

C.1.20 bis Describe the assessment and the areas assessed by the Board of Directors, aided, where applicable, by an external consultant, in relation to the diversity of its composition and its responsibilities, of the functioning and composition of its committees, of the performance of the Chairman of the Board and the chief executive of the company and the performance and contribution of each director.

The Board of Directors carries out a self-assessment on a yearly basis. To this end, it sends the directors a checklist in order for them to assess their own performance. In addition, the Board includes on the agenda of one of its meetings a point relating to its own assessment, in order for the Board to constructively discuss the way it functions.

The findings of the self-assessment are included in writing in the "Assessment of the functioning of the Board of Directors and its committees" document.

The assessment of the functioning of the Board and its committees is based on the aspects indicated in Recommendation 36 of the Spanish Code of Good Governance for Listed Companies, and analyses matters such as the composition of the Board and the structure of its committees, the frequency and duration of, and attendance at, meetings, the call notice, agenda, documentation and information furnished for the meetings and the matters discussed. The evaluation also analyses the performances and contributions of directors and, in particular, the chairman, chief executive officer, secretary and deputy secretary.

Pursuant to this recommendation, every three years the Board is assisted in this self-assessment by an external consultant. As a result, in 2017 the Board of Directors was assisted in its self-assessment by an external consultant whose independence was verified by the Nomination and Remuneration Committee.

The external consultant appointed by this Committee has no business relationship with the company or any Group subsidiary.

In order to perform this assessment, the external consultant met the Secretary and Deputy Secretary of the Board, and held individual interviews with all of the directors, who first completed a form sent to them by the consultant. The consultant reviewed the minutes of the Board of Directors and its Committees for 2017, and studied the documents pertaining to corporate governance on the company's website. The consultant also examined 139 items relating to the functioning of the Board and the monitoring of the Good Corporate Governance Recommendations, and adaptation to the prevailing legal framework.

The areas assessed mainly related to: (i) the functioning of the Board of Directors, including its composition, the frequency and duration of, and attendance at, its meetings; the call notice, agenda, documentation and information provided for the meetings; and the issues addressed in the meetings; (ii) the functioning, composition and structure of Board Committees; (iii) the performance of the Chairman and CEO; (iv) the performance of the Secretary and Deputy Secretary; and (v) the performance and contribution of the directors.

The conclusions of this assessment were presented to the Board of Directors on 6 February 2018.

C.1.20.ter Disclosure, if any, of the business relationships that the adviser or any company from its group has with the company or any company from its group.

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C.1.21 Indicate the cases in which the directors must resign.

Pursuant to Article 22 of the Board Regulations, directors shall cease to hold office once their period of tenure has expired and when decided by the Annual General Meeting by virtue of the powers vested in it by law or the Company bylaws.

In addition, directors must tender their resignation to the Board of Directors and, if the latter considers it appropriate, shall formally resign in the following cases:

a) When they cease to hold the executive positions with which their appointment as director was associated. In the case of independent directors, once they have completed twelve (12) years in office.

b) If they are subject to any of the grounds for conflict of interest or prohibition provided for by law.

c) If they are tried for an alleged criminal act, or are subject to a disciplinary proceeding conducted by supervisory authorities for a serious or very serious infringement.

d) When their remaining on the Board may jeopardise the Company's interests, or when the reasons for which they were appointed cease to exist. The latter circumstance shall be deemed to occur in the case of proprietary directors when the total ownership interest they own or represent is divested, or when the reduction of their interest requires a reduction in the number of proprietary directors.

Executive directors must tender their resignation to the Board once they have reached the age of 70, and the Board shall decide whether they may continue to discharge the executive functions delegated to them or simply continue as director.

C.1.22 Section annulled

C.1.23 Are qualified majorities, other than statutory majorities, required for any type of decision?

Yes

No

If so, describe the differences.

Description of the differences

<p>i) The affirmative vote of more than two-thirds of directors present or represented is required to adopt the following resolutions: proposed transformation, merger, spin-off or dissolution of the Company; transfer en bloc of the Company's assets and liabilities; contribution of lines of business; change of Company object; increase or decrease of share capital; proposed approval and amendment of the Board Regulations; proposed investment and divestment in excess of the greater of the following two amounts: a) EUR 200 million or b) an amount equal to 5% of the Company's equity; and proposed resolutions affecting the number of directors, the creation of committees of the Board of Directors, appointments thereto and proposed board appointments at subsidiaries and investees of the Company.</p>
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<p>ii) The affirmative vote of two-thirds of the Board members is required for the permanent delegation of any power by the Board of Directors to the Executive Committee or the chief executive officer and the appointment of directors who will hold such positions, as well as the appointment of the Company's general managers.</p>

C.1.24 Explain whether there are any specific requirements, apart from those relating to directors, to be appointed chairman of the Board of Directors.

Yes

No

C.1.25 State whether the chairman has a casting vote:

Yes

No

C.1.26 Indicate whether the bylaws or the Board Regulations set any age limit for directors:

Yes

No

Age limit for chairman: 0

Age limit for CEO: 70

Age limit for director: 0

C.1.27 Indicate whether the bylaws or Board Regulations set a limited term of office for independent directors, other than that established in legislation:

Yes

No

C.1.28 Indicate whether the bylaws or the Board Regulations establish specific rules for appointing proxies to vote at Board meetings, how they are granted and, in particular, the maximum number of proxies that a single director may hold, and whether any limit has been established in relation to the categories to which it is possible to appoint proxies, beyond the limitations imposed by legislation. If so, provide a brief description of the rules.

Article 23.a) of the bylaws and Article 529 quater. 2 of the Spanish Limited Liability Companies Law provide that any director may, in writing, by fax, e-mail or any other similar method, appoint another director as proxy, and that non-executive directors may only appoint other non-executive directors as their proxy.

C.1.29 Indicate how many Board of Directors meetings were held during the year. Also indicate any occasions on which the Board held meetings in which the Chairman was not present. The calculation of attendance shall include proxies granted with specific instructions.

Number of Board meetings	14
Number of Board meetings without chairman's attendance	0

If the chairman is an executive director, indicate the number of meetings held without the attendance or representation of an executive director and chaired by the lead director.

Number of meetings	0
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Indicate how many meetings of the various Board committees were held during the year:

Committee	No. of meetings
EXECUTIVE OR DELEGATED COMMITTEE	1
NOMINATION AND REMUNERATION COMMITTEE	10
AUDIT AND CONTROL COMMITTEE	13
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	5

C.1.30 Indicate the number of Board meetings held during the year that were attended by all its members. The calculation of attendance shall include proxies granted with specific instructions:

Number of meetings attended by all the directors	9
% of attendances of the total votes cast during the year	97.56%

C.1.31 Indicate whether the separate and consolidated financial statements submitted for approval by the Board are certified previously:

Yes No

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

Name	Position
FRANCISCO JOSÉ ALJARO NAVARRO	CHIEF FINANCIAL OFFICER
FRANCISCO REYNÉS MASSANET	DEPUTY CHAIRMAN-CEO
JOSEP MARIA CORONAS GUINART	GENERAL SECRETARY

C.1.32 Explain the mechanisms, if any, established by the Board of Directors to prevent qualified auditor's reports on the separate and consolidated financial statements prepared by it from being submitted at the General Meeting.

The functions of the Audit and Control Committee, a specialist committee of the Board of Directors, include ensuring 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.

The Audit and Control Committee holds regular meetings with the Company's external auditors to avoid discrepancies in the criteria to be followed in preparing the financial statements. However, should the case arise, the report on the functions and activities of the Audit and Control Committee shall include any discrepancies between the Board of Directors and the external auditors and publicly explain the content and extent of the discrepancies.

C.1.33 Is the Board secretary a director?

Yes No

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

Name or company name of the secretary	Representative
MIQUEL ROCA JUNYENT	

C.1.34 Section annulled

C.1.35 Indicate the mechanisms, if any, established by the company to preserve the independence of the external auditors, financial analysts, investment banks and rating agencies.

The Company's bylaws (Art. 23.c.2) and the Board Regulations of Abertis (Art. 15.2) stipulate that one of the responsibilities of the Audit and Control Committee is to receive information on issues that may jeopardise the independence of the external auditor. Also, the Committee oversees that the remuneration of the auditors for their work does not compromise its quality or independence. In particular, the Committee 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.

Each year, prior to the issue of the auditor's report, the Audit and Control Committee issues a report in which it expresses an opinion on the independence of the auditors or audit firms. In any event, this report contains the value of the provision of the aforementioned additional services, taken on an individual basis and as a whole, other than statutory audit services and on the independence regime or on the audit regulations.

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.1.36 Indicate whether the company changed its external auditors during the year. If so, specify the outgoing and incoming auditors.

Yes

No

In the event of any disagreement with the outgoing auditors, specify the substance thereof:

C.1.37 Indicate whether the audit firm performs other non-audit work for the company and/or its group, and if so, state the amount of fees received for such work and the percentage they represent of the fees billed to the company and/or its group:

Yes

No

	Company	Group	Total
Amount received for other non-audit work (thousands of euros)	254	558	812
Amount received for other non-audit work / Total amount billed by audit firm (as a %)	44.96%	17.74%	21.89%

C.1.38 Indicate whether the auditor's report for the previous year included any reservations or qualifications. If so, specify the reasons given by the chairman of the Audit Committee to explain the content and scope of the reservations or qualifications.

Yes

No

C.1.39 Indicate the number of years that the current audit firm has been uninterruptedly auditing the financial statements of the company and/or its group. Also indicate the number of years audited by the current audit firm as a percentage of the total number of years during which the financial statements have been audited:

	Company	Group
Number of uninterrupted years	6	6
Number of years audited by current audit firm/Number of years the company has been audited (as a %)	13.33%	25.00%

C.1.40 Indicate whether there is a procedure for directors to be able to receive outside advisory services, and if so, give details:

Yes No

Details of the procedure

Pursuant to Article 24 of the Board Regulations, on expert assistance, in order to receive assistance in discharging their functions, external directors may request the engagement of legal, accounting, financial or other experts at the Company's expense, should special circumstances so require. The engagement must concern specific problems of sufficient significance and complexity that arise in the performance of a director's duties.

The Company's chief executive officer must be informed of any decision to engage external consultants, and that decision may be vetoed by the Board of Directors, if it demonstrated that: (i) it is not necessary for the proper discharge of the functions entrusted to the external directors; (ii) the importance of the problem and/or the Company's assets and revenue do not justify the associated costs; and (iii) the technical assistance requested can be adequately provided by the Company's internal experts and technical staff.

C.1.41 Indicate whether there is a procedure for the directors to be able to receive the necessary information to prepare for meetings of the managing bodies sufficiently in advance, and if so, give details:

Yes No

Details of the procedure

The procedure for directors to be furnished with the information required to prepare for the meetings of the governing bodies sufficiently in advance consists mainly of the provision of documentation prior to the Board meeting, and responding to requests for additional information from the directors.

This documentation is posted on a website created in conformity with the strictest security measures for the exclusive and personal use of the Company's directors, called the Abertis Directors' Information System; this also contains documented information on the minutes of the Board of Directors and various committee meetings, corporate governance provisions, annual reports and significant events, inter alia.

C.1.42 Indicate whether the company has established rules obliging directors to report and, if applicable, resign, in situations which could harm the Company's good name and reputation and if so, give details:

Yes No

Explain the rules

Article 22.2 of the Board Regulations states that directors must tender their resignation to the Board of Directors and, if the latter considers it appropriate in view of the adverse effect on the Company's good standing and reputation, formally resign in the following cases:

[...]

- b) If they are subject to any of the grounds for conflict of interest or prohibition provided for by law.
- c) If they are tried for an alleged criminal act, or are subject to a disciplinary proceeding conducted by supervisory authorities for a serious or very serious infringement.
- d) When their remaining on the Board may jeopardise the Company's interests, or when the reasons for which they were appointed cease to exist. The latter circumstance shall be deemed to occur in the case of proprietary directors when the total ownership interest they own or represent is divested, or when the reduction of their interest requires a reduction in the number of proprietary directors.

C.1.43 Indicate whether any of the directors have informed the company of any trials or the commencement of oral proceedings against him/her for any of the offences specified in Article 213 of the Spanish Limited Liability Companies Law:

Yes No

Indicate whether the Board of Directors has examined the matter. If so, give reasons for the decision taken for the continuation or otherwise of the director in his/her position or, where applicable, detail the actions undertaken, or intended to be undertaken, by the Board of Directors at the date of this report.

C.1.44 Give details of the significant agreements entered into by the company which take effect, are amended or terminated in the event of a change of control of the company following a takeover bid and the effects thereof.

The Company has not entered into significant agreements which take effect, are amended or terminated in the event of a change of control of the Company following a takeover bid.

C.1.45 Identify in aggregate terms and indicate in detail the agreements between the company and its directors, executives or employees which provide for termination benefits, guarantee or golden parachute clauses upon resignation or dismissal without justification or upon termination of the employment relationship as a result of a takeover bid or other kinds of transactions.

Number of beneficiaries: 16

Type of beneficiary:

Chief executive officer and executives

Description of agreement:

An indemnity payment equal to the higher of the following amounts is established in the event of termination by mutual agreement, termination by the employer, unjustified dismissal on disciplinary grounds or dismissal held to be null and void with no reinstatement, or pursuant to any of the clauses specified in Article 10.3 of Royal Decree 1385/1985, of 1 August: (i) the indemnity payment that would have been payable in an ordinary employment relationship in the event of unjustified dismissal or three (3) years' salary for the chief executive officer and two of the managing directors; or (ii) two (2) years' salary in the case of the other general managers.

An indemnity payment to the other executives equal to the higher of the following amounts is established in the event of termination other than by the employee's resignation, declaration of permanent disability, retirement or dismissal on disciplinary grounds held to be justified: (i) the indemnity payment amount provided for under current employment legislation, or (ii) one (1) year's salary.

Cases in which the legal indemnity payment exceeds the indemnity guaranteed by contract are not included in the number of beneficiaries indicated (16).

Indicate whether these contracts have to be disclosed to and/or approved by the bodies of the company or of its group:

	Board of Directors	General Meeting
Body authorising the clauses	Yes	No

	Yes	No
Is the General Meeting informed of the clauses?		X

C.2 Committees of the Board of Directors

C.2.1 Give details of all the committees of the Board of Directors, their members and the proportion of executive, proprietary, independent and other directors that form them:

EXECUTIVE OR DELEGATED COMMITTEE

Name	Position	Professional
SALVADOR ALEMANY MAS	CHAIRMAN	Proprietary
MARCELINO ARMENTER VIDAL	MEMBER	Proprietary
CARLOS COLOMER CASELLAS	MEMBER	Independent
MARIA TERESA COSTA CAMPI	MEMBER	Independent
MÓNICA LÓPEZ-MONÍS GALLEGO	MEMBER	Independent
FRANCISCO JAVIER BROSSA GALOFRÉ	MEMBER	Independent
LUIS GUILLERMO FORTUÑO	MEMBER	Independent
JUAN-JOSÉ LÓPEZ BURNIOL	MEMBER	Proprietary
FRANCISCO REYNÉS MASSANET	MEMBER	Executive

% of executive directors	11.11%
% of proprietary directors	33.33%
% of independent directors	55.56%
% of external directors	0.00%

Explain the functions entrusted to this committee, describe the procedures and rules governing the organisation and functioning thereof, and summarise its most significant actions in the year.

The Executive Committee undertakes all the functions attributed to it by virtue of Spanish law, the applicable regulations and the Company bylaws, primarily in relation to the ordinary course of business, such as the volume of activity of the various business areas, financial reporting and new projects, and it records in its minutes the resolutions it adopts at the various committee meetings.

The rules governing the organisation and functioning of the Executive Committee are contained in Article 23.c.1 of the Company bylaws, Article 14 of the Board Regulations and the provisions of the Spanish Limited Liability Companies Law.

The Executive Committee meets whenever it is convened by its chairman by letter, which may be sent by fax or other traceable electronic means.

The Committee is deemed to be validly convened when the majority of its members attend, either in person or by proxy. The Executive Committee members may appoint another member as proxy.

The decisions of the Executive Committee shall be adopted by the favourable vote of the absolute majority of those attending the meeting, present or represented, except when these refer to the following matters, in which case the favourable vote of over two thirds of the Committee members present or represented at the meeting shall be necessary:

- proposed transformation, merger, spin-off or dissolution of the Company; transfer en bloc of the Company's assets and liabilities; contribution of lines of business; change of Company object; increase or decrease of share capital;
- proposed resolutions affecting the number of directors, the creation of committees of the Board of Directors, appointments thereto and the proposed board appointments at subsidiaries and investees of the Company; and
- proposed investment and divestment in excess of the greater of the following two amounts: a) EUR 200 million or b) an amount equal to 5% of the Company's equity.

The Board is always kept fully informed of the matters discussed and the resolutions adopted by the Executive Committee. The minutes of the Committee meetings are made available to all of the Board members.

Indicate whether the composition of the Delegated Committee reflects the participation of the various directors on the Board according to their category:

Yes

No

NOMINATION AND REMUNERATION COMMITTEE

Name	Position	Professional
MÓNICA LÓPEZ-MONÍS GALLEGO	CHAIRMAN	Independent
MARIA TERESA COSTA CAMPI	MEMBER	Independent
JUAN-JOSÉ LÓPEZ BURNIOL	MEMBER	Proprietary
MARINA SERRANO GONZÁLEZ	MEMBER	Independent
MARCELINO ARMENTER VIDAL	MEMBER	Proprietary

% of proprietary directors	40.00%
% of independent directors	60.00%
% of external directors	0.00%

Explain the functions entrusted to this committee, describe the procedures and rules governing the organisation and functioning thereof, and summarise its most significant actions in the year.

The functions entrusted to the Nomination and Remuneration Committee and the rules governing the organisation and functioning thereof are described in Article 23 c) c.3) of the Bylaws and Article 16 of the Board Regulations, and in the Spanish Limited Liability Companies Law.

The Nomination and Remuneration Committee shall meet whenever the Board or its chairman requests that a report be issued or a proposal be adopted and, in any case, whenever it is deemed necessary for the proper performance of its functions. It is convened by the Committee Chairman, whether on his own motion or at the behest of the Chairman of the Board of Directors or of three Committee members.

The Board appointed a chairman from among the independent directors sitting on the Committee. The Committee appointed a Secretary and may designate a Deputy Secretary, neither of whom needs to be a director.

The minutes of the Committee meetings are made available to all of the Board members.

Following is a summary of the most significant actions performed by the Committee in 2017:

- Appointments of directors and composition of the Committees:

A) Independent director selection process:

The Committee actively participated in the process of selecting several independent directors, and defined the candidates' necessary functions and skills based on a prior analysis of the Board's needs, in accordance with the criteria established in the Company's Director Selection Policy. This process prioritised at all times diversity of knowledge, experience and gender, as well as international diversity.

In the selection process for these independent directors, the Committee took into account the selection of independent candidates that Egon Zehnder submitted to the Committee at its meeting on 27 April 2016, and the independence criteria set forth in Article 7 of the Board Regulations and section 4 of Article 529 duodecies of the Consolidated Spanish Limited Liability Companies Law.

B) Composition of the Executive Committee:

In order for the composition of the Executive Committee to be an appropriate reflection of the Board, and in accordance with Recommendation 37 of the Spanish Code of Good Governance for Listed Companies, the Nomination and Remuneration Committee submitted to the Board a proposal to increase the number of independent directors on that Executive Committee, proposing two independent directors for this purpose. The Committee also submitted a proposal for appointment of a proprietary director to the Board.

C) Other Committees:

The Committee proposed to the Board the appointment of members for the various Committees to fill the vacancies on those Committees.

- Appointments of directors of investees:

The Committee reported on the proposals to appoint directors on the boards of the investees.

- Director and senior executive remuneration:

The Committee reviewed the director and senior executive remuneration policy contained in the various corporate documents, and reported to the Board on the establishment of objectives for the CEO and senior executives, the level of compliance with these and a quantitative and qualitative assessment.

The Committee also submitted a proposal for the approval of the 2018-2020 Remuneration Policy, along with a specific explanatory report, to the Board of Directors, which in turn will submit it to the shareholders at the General Meeting for approval.

- Organisational changes and senior executive appointments:

The Committee reported to the Board on the organisational changes at the Company and its investees.

- Corporate governance:

A) Annual Report on Directors' Remuneration:

The Committee proposed to the Board that the 2016 Annual Report on Directors' Remuneration be submitted to an advisory vote by the Annual General Meeting. Annual Corporate Governance Report:

B) Annual Corporate Governance

The Committee reported favourably on the 2016, except for the part that comes under the responsibility of the Audit and Control Committee.

C) Report on application of the Internal Code of Conduct:

The Committee's gave a favourable account of the Report on the application of the Internal Code of Conduct in matters relating to the securities market in 2016.

D) Assessment of the functioning of the Board of Directors and of the Nomination and Remuneration Committee:

The Committee was assisted in its assessment of the Board of Directors and its Committees in 2017 by an independent external consultant, who issued a favourable report.

The Committee proposed amendments to Articles 21, 23 and 29 of the Company bylaws to the Board.

There were no changes to the Board Regulations in 2017. However, at its meeting on 23 January 2018, the Committee resolved to propose to the Board the amendment of Article 15 of the Board Regulations, to bring it into line with the bylaws.

AUDIT AND CONTROL COMMITTEE

Name	Position	Professional
CARLOS COLOMER CASELLAS	CHAIRMAN	Independent
MARCELINO ARMENTER VIDAL	MEMBER	Proprietary
SUSANA GALLARDO TORREDEDIA	MEMBER	Proprietary
FRANCISCO JAVIER BROSSA GALOFRÉ	MEMBER	Independent
ANTONIO VIANA BAPTISTA	MEMBER	Independent

% of proprietary directors	40.00%
% of independent directors	60.00%
% of external directors	0.00%

Explain the functions entrusted to this committee, describe the procedures and rules governing the organisation and functioning thereof, and summarise its most significant actions in the year.

The functions entrusted to the Audit and Control Committee and the rules governing the organisation and functioning thereof are described in Article 23 c) c.2) of the Company bylaws, the Board Regulations, the Spanish Limited Liability Companies Law and audit regulations.

The Audit and Control Committee is an informative and advisory body, with no executive functions, with powers to inform, supervise, advise and propose within the scope of its activities.

The Committee meets as often as is necessary for it to perform its duties, and is convened by its Chairman, whether on his own motion or at the behest of the Chairman of the Board or of three Committee members.

The Committee shall be deemed to be validly convened when the majority of its members attend, either in person or by proxy. Resolutions are adopted when agreed upon by the majority of the members attending, whether in person or by proxy.

The Board shall appoint one of the independent members of the Committee as its chairman; this person shall be replaced every four years and may be re-elected after a full year has elapsed since the end of his tenure. The Committee shall appoint a Secretary and may designate a Deputy Secretary, who must not be the same person.

The majority of its members are classified as independent directors and all members, in particular its chairman, are appointed with regard to their knowledge and experience in accounting, auditing and/or risk management. The committee members, as a group, have the pertinent technical knowledge regarding the Company's sector of activity.

The Committee may request any Company executive or staff member to attend the Committee meetings in order to cooperate with it or furnish it with information they may have. The Committee may also request the attendance of the Company's auditors at its sessions.

(Continued in the Clarification Note to this section.)

Identify the director who is a member of the Audit Committee who has been appointed taking into consideration his/her knowledge and experience in matters relating to accounting, audits or both, and provide information about the number of years the Chairman has held this position.

Name of experienced director	CARLOS COLOMER CASELLAS
No. of years as Chairman	2

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name	Position	Professional category
MARIA TERESA COSTA CAMPI	CHAIRMAN	Independent
CARLOS COLOMER CASELLAS	MEMBER	Independent
G3T, S.L.	MEMBER	Proprietary
LUIS GUILLERMO FORTUÑO	MEMBER	Independent
SANDRINE LAGUMINA	MEMBER	Independent

% of proprietary directors	20.00%
% of independent directors	80.00%
% of external directors	0.00%

Explain the functions entrusted to this committee, describe the procedures and rules governing the organisation and functioning thereof, and summarise its most significant actions in the year.

The functions entrusted to the Corporate Social Responsibility Committee and the rules governing the organisation and functioning thereof are described in Article 17 of the Board Regulations and of Article 23 c) c.4) of the Company bylaws.

The Corporate Social Responsibility Committee meets each time the Board or its chairman requests the submission of a report or the adoption of proposals and whenever it is considered appropriate for the smooth performance of its duties. The Committee meetings shall be convened by the Committee Chairman or by three members of the Committee itself.

The Committee has appointed a secretary and may designate a deputy secretary, neither of whom need to be members of the Committee.

Following is a summary of the most significant actions performed by the Committee in 2017:

- ESG accountability: The Committee was involved in preparing the contents of the Integrated Annual Report for relevant aspects of the CSR Master Plan, focusing on non-financial information and the organisation's performance in such areas.

The 2016 Integrated Annual Report was the first report of this type by Abertis. It seeks to gradually integrate the information published by the organisation on its performance in both financial and non-financial areas. The report follows the standard format for preparing integrated reporting of the IIRC, and the latest standards published by the Global Reporting Initiative (GRI - SRS), in addition to other recognised benchmarks for calculating and compiling information on specific issues, such as the carbon footprint, social activities and sponsorship.

The 2016 Integrated Annual Report was reviewed by an external auditor and by the GRI in accordance with the Comprehensive option. It was also rated by the United Nations Global Compact as Advanced, and met the requirements for notification of this initiative to the IDP, in addition to the SDGs.

It has also been involved in preparing the same content for the 2017 version, which retains the same structure, so as to consolidate the internal integration process and meet the disclosure challenges faced this year. The transposition of the European Directive on Non-Financial Reporting into Spanish law affects the timing and form of disclosure of such information, and brings it into line with the financial information included in the management report of the financial statements.

- Results of the audit of the 2016 Integrated Annual Report: Following publication of the 2016 Integrated Annual Report and the monitoring appendix of the CSR Master Plan, the process was assessed, including assessment of the results of the audit of the report. Proposals for improvement and the main projects to be focused on were identified, which include the international roll out of the CSR Master Plan and updating of the materiality analysis.

- Participation in and monitoring of external ESG analyses: Requests to participate in various external assessment and analyst initiatives in the year were answered, including the Dow Jones Sustainability Indexes, FTSE4Good, Carbon Disclosure Project, Trucost, Sustainalytics, MSCI, STOXX and Corporate Knights (Global 100 Leaders ranking). Likewise, monitoring was carried out in relation to the return of the assessment performed by these agencies and the ESG performance analysis initiatives.

One highlight was the arrangement of a sustainable loan during the year, in which the interest rate applied is linked to the assessment of ESG performance by one of the rating agencies that assesses Abertis. This establishes a direct financial connection between improving ESG performance and financial returns.

- CSR master plan: In connection with the international roll out of the CSR Master Plan, the Committee has monitored the working sessions of Abertis' CSR team in Brazil, Argentina and Chile, including all people directly and indirectly involved in implementing measures that will contribute to achieving the quantitative objectives of the CSR Master Plan. In 2017, all business units were involved in preparing specific local plans, including actions planned for the coming years, which will be analysed and assessed during the first half of 2018.
- Other related issues: Planning of the Committee's tasks and specific CSR work agenda for the year; Membership of the We mean Business Coalition; Involvement and participation in the official presentation of the new GRI standards in Spain; Participation, through the Spanish Green Growth Group, in the public consultation on the Spanish Climate Change Law.
- Foundation activities: The Committee has monitored the actions of all areas of the Foundation's activities. These road safety, environmental, social and cultural projects included strategic alliances and agreements, such as those with the Institut Guttmann, UNICEF and UNESCO.

The minutes of the Committee meetings are made available to all of the Board members.

C.2.2 Fill in the following table with the information relating to the number of female directors sitting on the Board of Directors' committees in the last four years:

	Number of female directors							
	2017		2016		2015		2014	
	Number	%	Number	%	Number	%	Number	%
EXECUTIVE OR DELEGATED COMMITTEE	2	22.22%	2	28.57%	1	16.66%	1	11.11%
NOMINATION AND REMUNERATION COMMITTEE	3	60.00%	3	60.00%	2	40.00%	3	60.00%
AUDIT AND CONTROL COMMITTEE	1	20.00%	2	40.00%	1	20.00%	0	0.00%

	Number of female directors							
	2017		2016		2015		2014	
	Number	%	Number	%	Number	%	Number	%
COMISIÓN DE RESPONSABILIDAD SOCIAL CORPORATIVA	3	60.00%	4	80.00%	2	50.00%	2	40.00%

C.2.3 Section annulled

C.2.4 Section annulled

C.2.5 Indicate, as appropriate, whether there are any regulations for the Board committees; if so, indicate where they can be consulted and whether any amendments have been made during the year. Also indicate whether any annual report on the activities of each committee has been prepared voluntarily.

The Board committees do not have their own separate regulations; instead, their operations are governed by the Board Regulations, which are available on the Company's website.

Each of these committees prepared a self-assessment report, which is submitted to the Board of Directors in plenary session and endorsed by it.

The Nomination and Remuneration Committee, the Audit and Control Committee and the Corporate Social Responsibility Committee all prepared reports on their own functions and activities in 2017.

C.2.6 Section annulled

D RELATED-PARTY AND INTRA-GROUP TRANSACTIONS

D.1 Explain the procedure for approval of any related-party and intra-group transactions.

Procedure for reporting on the approval of related-party transactions

Article 4.3 t) of the Board Regulations establishes that the Board, following a report from the Audit Committee, is responsible for approving the transactions performed by the Company or Group companies with directors, significant shareholders or shareholders represented on the Board of the Company or of other companies in the same group, or with persons related to them, unless such transactions simultaneously meet the following three conditions: 1) they are governed by standard form agreements applied on an across-the-board basis to a large number of customers. 2) they are performed, in general, at market rates. 3) their amount is no more than 1% of the Company's consolidated annual revenue.

In addition, Article 34 of the Board Regulations establishes that the Board of Directors formally reserves knowledge of any relevant transaction by the Company with a significant shareholder and in the case of ordinary transactions, general authorisation of the line of operations and the conditions of performance will be sufficient.

D.2 Give details of transactions that are material, with regard to the amount thereof or the matter involved, between the company or group companies and the significant shareholders of the company.

Name or corporate name of significant shareholder	Name or corporate name of the company or its group company	Nature of relationship	Type of transaction	Amount (thousands of euros)
CRITERIA CAIXA, S.A.U.	Abertis Infraestructuras, S.A.	Corporate	Dividends and other profit distributed	115.004
INVERSIONES AUTOPISTAS, S.A.	Abertis Infraestructuras, S.A.	Corporate	Dividends and other profit distributed	53.586

D.3 Give details of the transactions that are material, with regard to the amount thereof or the matter involved, between the company or group companies and the directors or executives of the company:

D.4 Give details of material transactions performed by the company with other entities of the same group, where such transactions are not eliminated in the process of preparing the consolidated financial statements and from the standpoint of their subject-matter or terms and conditions are not part of the company's ordinary business:

In any event, details shall be provided on any intra-group transactions performed with entities resident in countries or jurisdictions considered to be tax havens:

D.5 Give details of the amount of the transactions performed with other related parties.

4,611 (in thousands of euros)

D.6 Give details of the mechanisms in place for detecting, identifying and resolving any potential conflicts of interest between the company and/or its group and its directors, executives or significant shareholders.

Articles 28 et seq of the Board Regulations contains specific obligations regarding the duty of loyalty and information on shares of the Board members in the Company itself or on ownership interests held by them in other non-Group companies. In particular, the duty of loyalty obliges the members of the Board to adopt the measures required to avoid situations in which their interests, either as independent professionals or as employees, may be in conflict with the interests of and their duties to the Company, except in those cases in which the Company authorised the transaction with respect to which conflict arises.

The directors must notify the other directors and, where appropriate, the Board of Directors of any direct or indirect conflict of interest that they or persons related to them might have with the interests of the Company. The director in question shall refrain from involvement in resolutions or decisions on the transaction to which the conflict of interest relates and his vote shall be deducted when calculating the majority of votes whenever necessary.

In accordance with the Board Regulations, the duty to avoid conflicts of interest obliges the director to refrain from performing transactions with the Company other than ordinary transactions performed under standard customer conditions and of scant significance, i.e., where the related information is not necessary to present fairly the equity, financial position and results of the Company. Directors shall refrain from using the Company's name or invoking their position as director to unduly influence the performance of personal transactions, from taking advantage of social events, including confidential information of the Company for personal purposes and of the Company's business opportunities and obtaining advantages or remuneration from third parties other than the Company and its Group, associated with the discharge of their position, except in relation to actions of mere courtesy. The director shall also refrain from performing activities, as an independent professional or as an employee, that are in (current or potential) effective competition with the Company or that, in any other way, place them in situations of permanent conflict with the interests of the Company.

The provisions set out in this section shall also apply if the beneficiary of the acts or of the prohibited activities is a person related to the director.

The conflicts of interest are disclosed in the notes to the financial statements.

The Company may waive the prohibitions described above in certain cases, authorising a director or a related person to perform a certain transaction with the Company, to use certain corporate assets, to take advantage of a specific business opportunity or to obtain an advantage or compensation from a third party.

Where the subject-matter of the authorisation is exemption from the prohibition on obtaining an advantage or compensation from third parties, or where it relates to a transaction whose value exceeds 10% of the corporate assets, the authorisation must necessarily be resolved upon by the General Meeting.

In all other cases, the authorisation may be granted by the Board of Directors, provided that the independence of the Board members granting the exemption is guaranteed with respect to the exempt director. It shall also be necessary to ensure the harmless nature of the authorised transaction regarding assets and liabilities and, where appropriate, its performance on an arm's length basis and the transparency of the process.

The obligation not to compete with the Company may only be subject to exemption in the event that no damage is expected to arise at the Company or the expected damage is offset by the benefits expected to be obtained as a result of the exemption. The exemption shall be granted by means of an express individual resolution of the General Meeting. In any event, at the request of any shareholder, the General Meeting shall resolve on the removal of any director carrying on competing activities where the risk of damage to the Company is deemed significant.

Lastly, the Company's Internal Code of Conduct in matters relating to securities markets, establishes that persons involved in conflicts of interest shall act at all times with loyalty to the Company, irrespective of their interests as independent professionals or employees and shall refrain from taking part in or influencing decisions on the matters affected by the conflict.

The aforementioned persons must also notify the Company of the possible conflicts of interest to which they are subject as a result of their family relationships, their personal assets, their activities outside of the Company or for any other reason.

D.7 Is more than one group company listed in Spain?

Yes

No

Identify the listed subsidiaries in Spain:

Listed subsidiaries

Indicate whether the respective business lines and any possible business dealings between them, as well as those of the listed subsidiary with the other Group companies have been clearly and publicly defined:

**Define the possible business dealings between the parent and the listed subsidiary
and between the listed subsidiary and the other group companies**

Identify the mechanisms established to resolve any possible conflicts of interest between the listed subsidiary and the other group companies:

Mechanisms to resolve any possible conflicts of interest

E RISK CONTROL AND MANAGEMENT SYSTEMS

E.1 Explain the scope of the company's risk management system, including tax risks.

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

The Abertis Group implements a risk management model, approved and monitored by the Audit and Control Committee, and applicable to all business and corporate units in all countries where the Group carries on its activities. The risk management model covers all the Group's possible risks, including tax risks, to ensure the Group's main objectives are achieved.

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 cross-checked and approved by the general managers of the business unit or the corporate area managers, as is the tax risk map, which is subject to follow-up and monitoring by Abertis' tax advisory department. 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 company's bodies in charge of preparing and executing the risk management system, including the tax 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:

- Sustainable growth in the value of the share and in shareholder remuneration.
- Protection of the Group's reputation, fostering good Corporate Governance practices and commitment through the application of best tax practices.

- Provision of a quality service in all Group-operated infrastructure.

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

Board of Directors: retains ultimate responsibility for defining the risk strategy and 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 preparing and updating 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.

General Managers of business/corporate units: 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.

Coordinators of business/corporate risk units: are responsible for coordinating the implementation of the risk management model in each unit or area, which includes the identification and assessment of risks, as well as the implementation of a system for controlling, monitoring and communicating 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 details of control activities, as well as information on the status of action plans.

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

The responsibilities defined in the previous sections are detailed in the "Risk Control and Management Policy", which is subject to review by and the approval of the Audit and Control Committee.

E.3 Give details of the main risks, including any tax risks, that might affect the achievement of the business objectives.

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

- Risks in the business environment, arising from changes in the economy that could lead to lower demand in some countries, changes in tax, legal and environmental regulations, social and political changes, and adverse weather conditions (snowfalls...).
- Risks arising from the specific nature of the Group's business, which mainly relate to the maturity and time limits of concessions, agreements with public authorities, conducting operations in regulated markets, meeting concessionary obligations and investment commitments, and bringing into service alternative infrastructures.
- Financial risks arising from growth operations and investment financing processes, from fluctuations in interest and exchange rates, rating reviews and refinancing.
- Operational risks arising from the integration of acquisitions, the safety of users and employees, adaptation and rapid response to technological changes in operating systems, control over construction projects, infrastructure maintenance, the security, integrity and confidentiality of financial and corporate information and business know-how, the hiring and performance of personnel, training and retaining talent, fraud, dependency on suppliers and business interruptions.

E.4 Identify whether the entity has a risk tolerance level, including the tax risk tolerance where applicable.

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 liabilities.

The parameters specified in the risk matrix are updated based on Group performance and subject to annual review and approval by the Audit and Control Committee.

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, terms 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 Give details of any risks, including any tax risks, that arose during the year.

The risks identified in the risk maps of the various business or corporate units are mainly those risks inherent to the business model and 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 some of the countries in which the Group operates creates uncertainty about potential impacts on the course of our activity. However, the flexibility of our decision making and the internationalisation and geographic diversification of our businesses resulted in the Group suffering no major impacts.
- 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 (funding of new growth operations and investment commitments), but have been mitigated by the Group's strict financial discipline, with guidelines and limits defined by the governing bodies and comprehensive monitoring of the entire organisation.
- Hurricane Maria, which was classified as catastrophic, caused significant damage to infrastructure in Puerto Rico. However, there was no damage to the personnel or critical damage to the infrastructure of Metropistas, the Group's motorway business. The damage identified was covered by the insurance policies contracted, and the contingency plans activated to mitigate the risks of losses, and protect service quality and the safety of people.
- Major maturities of toll-road concessions in the short and medium term are being offset by the addition of new concessions (Rodovias dos Calçados for 30 years in Brazil) and agreements with the administrative bodies that awarded concessions (extension of concession terms in exchange for previously unplanned investment).
- The purchase share's agreements reached by Abertis with the other shareholder of Hispasat (which has exercised its right to sell) are pending authorization, which warns that this sale authorization affects the possible availability from the investment.

E.6 Explain the response and oversight plans for the entity's main risks, including any tax risks.

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, 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 this group of priority-monitoring risks are part of the specific initiatives implemented for each of these 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 and regulatory changes, and those specifically relating to the concession business, are monitored by management committees, while financial and operating risks are generally monitored by corporate committees, in conjunction with specific committees of the business units (safety committees, operating committees, technological committees, etc.).

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

- The internationalisation and geographical diversification strategy, due to the economic downturn in certain countries and periods, which is offset by increased demand from growth in other countries. In 2017, Abertis continued to enhance its international presence with the acquisition of two motorways in India and new public-private agreements and/or acquisitions in most of the countries in which it operates.
- Cost optimisation, with the definition, implementation and monitoring of efficiency plans, focusing in particular on the optimisation of operating costs and control of operating investments in all Abertis Group business units.
- Dialogue with the parties involved in providing tailor-made solutions for each country in the infrastructure industry and in negotiations with public authorities, under which the Group sometimes undertakes to make specific investments. In 2017, Abertis agreed to acquire Rodovía dos Calçados in Brazil (for around EUR 420 million). Through the Abertis Group companies GCO and Ausol in Argentina, it also signed an agreement for the extension of the concession arrangement and recognition of pending rebalancing. This included a plan for additional investment to improve the current road network, amounting to EUR 224 million and EUR 420 million, in GCO and Ausol, respectively, in exchange for extension of the current arrangements until the end of 2030.

- Definition of policies and procedures for the most important risks in order to control risk performance within the defined limits.
- Adhesion to the Code of Good Tax Practices, with the aim of enhancing corporate responsibility in Abertis Group companies, and bringing greater stability to its economic results and greater legal certainty. The Abertis Group has implemented the contents 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 IN CONNECTION WITH FINANCIAL REPORTING (ICFR)

Describe the mechanisms comprising the risk control and management systems in relation to the entity's internal control over financial reporting (ICFR).

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 in the markets 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 defines 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, 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 ICFR system, 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 2017 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 2017 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 2017 specific training was provided in the following areas:

- Accounting training on "International Financial Reporting Standards (IFRSs) and the Spanish National Chart of Accounts" (2017). Course given by external auditors to the Consolidation and Accounting Regulations Department.
- Tax courses given by the Corporate Tax Department, in particular, on the latest tax developments in 2017 in the main countries in which Abertis has a presence and international taxation.
- Courses given by the Compliance Department, specifically:
 - Classroom-based training on the prevention of workplace harassment
 - Online training on the misuse of information for non-managerial staff
 - Refresher campaign on topics such as corruption, conflicts of interest, ethical channel, ethical and crime prevention committees, and information management
- Training with regard to IFRS accounting and regulatory matters at Group subsidiaries.
- Training on accounting and control tools taught at subsidiaries in India.
- 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 Corporate Management Control and Planning Department.

- 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:

- a) General risks
- b) Risks relating to appropriate recognition of the Group's specific transactions
 - a. Significant transactions
 - b. Judgements and estimates
 - c. Lack of familiarity with agreements/contracts
 - d. Activities outsourced to third parties
- c) Risks relating to the financial reporting preparation process
- d) 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, evaluations 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 Corporate Management Control and Planning 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, control of changes, system operation, 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 (at 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 2017 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 ICFR.

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 2017") 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" ensure the uniformity of the information by virtue of the following characteristics:

- It is unified and consistent across countries and lines of business.
- It is prepared based on the Group instructions and accounting manual, which are unique to all the companies forming part of the Group.
- It includes the applicable legal, tax, corporate and regulatory requirements.

Information on monthly reporting and forms is uploaded directly by the controllers to the reporting and corporate consolidation system.

The structure of the forms is reviewed regularly (at least twice a year) to ensure that all the regulatory updates applicable in accordance with EU-IFRSs are included.

The entire reporting system is included in the Monthly Reporting Information Manual, which is updated each year by the Corporate Management Control and Planning Department and provides details of processes, dates and full information on how to complete the reporting, which should be adhered to by all the Group companies.

F.5 Oversight of system operation

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

F.5.1. ICFR monitoring activities performed by the Audit Committee, including an indication of whether the entity has an internal audit department whose responsibilities include supporting the Audit Committee in its role of overseeing the internal control system, including ICFR. Also describe the scope of the ICFR 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 2017 the ACC performed the following activities in relation to the ICFR system:

- Review of the risk and control matrix updates.
- Monitoring (at each quarterly close) of the certifications of the application of controls by the personnel responsible for preparing the financial reporting.
- Validation of the scheduled ICFR reviews by Internal Audit in the annual approval of the review plan for the following years.
- 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.

With regard to financial reporting and the general ICFR model, in 2017 two reviews were carried out (one at the interim reporting date and another at year-end), with the following scope:

- Review of the 2017 risk and control matrix updates in accordance with the changes in the scope of consolidation.
- Review of the functioning of the controls on significant transactions, judgements and estimates and financial reporting preparation.
- Controls on general risks and risks relating to IT systems are reviewed at the intervals determined in accordance with the general criteria for Internal Audit reviews.

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 2017, which were submitted to the ACC, no material weaknesses were detected which might have a material impact on the Group's financial reporting for 2017, 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 TAS), 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.

The action plans relating to the weaknesses detected in 2017 were implemented using recommendations which follow the prioritisation, supervisor assignment and monitoring process described in section F.5.1.

F.6 Other relevant information

No additional aspects were identified for disclosure.

F.7 External auditor's report

Report on:

F.7.1. Whether the ICFR 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. If "no", give reasons.

The external auditor reviewed Abertis' ICFR information that was reported to the markets for 2017. 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 DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the company's degree of compliance with the recommendations of the Spanish Code of Good Governance for Listed Companies.

If a recommendation is not followed or only partially followed, a detailed explanation of the reasons should be provided so that the shareholders, investors and the market in general have sufficient information to evaluate the company's performance. Explanations of a general nature are not accepted.

1. The bylaws of listed companies should not place an upper limit on the votes that may be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

Followed Explain

2. When a parent and a subsidiary are listed companies, both should provide detailed disclosure on:
 - a) The type of activity they engage in and any business dealings between them, as well as between the listed subsidiary and other group companies.
 - b) The mechanisms in place to resolve possible conflicts of interest.

Followed Partially followed Explain Not applicable

3. At the Annual General Meeting, in addition to the communication in writing of the Annual Corporate Governance Report, the Chairman of the Board of Directors should orally inform the shareholders, in sufficient detail, of the most important matters in relation to the company's corporate governance and, in particular, of:
 - c) Changes since the previous Annual General Meeting.
 - d) The specific reasons why the company does not follow certain recommendations of the Corporate Governance Code and the alternative rules applied in this connection, should any exist.

Followed Partially followed Explain

4. The company should define and promote a policy of communication and contact with shareholders, institutional investors and voting advisers that fully complies with regulations against market abuse and treats shareholders in the same position in a similar manner.

The company should publish this policy on its website, including information on how it has been implemented, identifying the liaison personnel or staff in charge of implementing it.

Followed Partially followed Explain

5. The Board of Directors should not put forward to the Annual General Meeting a proposal to delegate powers in order to issue shares or convertible securities with disapplication of pre-emption rights for an amount exceeding 20% of share capital upon delegation.

When the Board of Directors approves any share or convertible security issue with disapplication of pre-emption rights, the company should immediately publish on its website the reports on such disapplication referred to in corporate legislation.

Followed Partially followed Explain

6. The listed companies that prepare the reports indicated below, whether obligatorily or voluntarily, should publish them on their respective websites sufficiently in advance of the Annual General Meeting, whether or not they are required to disseminate them:

e) Report on auditor independence.

f) Reports on the functioning of the Audit Committee and the Nomination and Remuneration Committee.

g) Audit Committee report on related party transactions.

h) Report on the corporate social responsibility policy.

Followed Partially followed Explain

7. The company should stream a live broadcast of the Annual General Meetings on its website.

Followed Explain

8. The Audit Committee should ensure that the Board of Directors seeks to present the financial statements to the Annual General Meeting without any limitations or qualifications in the auditor's report. Should such qualifications exist, both the Chairman of the Audit Committee and the auditors should give a clear account to the shareholders of the related matters and scope limitations or qualifications.

Followed Partially followed Explain

9. The company should have a permanent, public record on its website of the requirements and procedures that it will accept in order to evidence the ownership of shares, the right to attend the Annual General Meeting and the exercise or delegation of the right to vote.

Such requirements and procedures should prioritise the attendance and the exercise of the rights of the shareholders and should be applied in a non-discriminatory manner.

Followed Partially followed Explain

10. When any legitimate shareholder has exercised, prior to the Annual General Meeting, the right to complete the agenda or present new proposals, the company should:
- a) Immediately make such supplementary points and new resolution proposals public;
 - b) Make public the attendance card model or vote delegation/proxy vote form with the modifications necessary so that new items on the agenda and alternative resolution proposals can be voted on under the same terms as those proposed by the Board of Directors;
 - c) Submit all those points or alternative proposals to vote and apply the same voting rules to them as are applied to the points and proposals prepared by the Board of Directors, including, specifically, the assumptions or deductions on which way to vote; and
 - d) After the Annual General Meeting, communicate the breakdown of the vote on those supplementary points or alternative proposals.

Followed

Partially followed

Explain

Not applicable

11. If the company plans to pay attendance bonuses to the Annual General Meeting, it should establish beforehand a general policy on such bonuses, and the policy should be stable.

Followed

Partially followed

Explain

Not applicable

12. The Board of Directors should perform its duties with unity of purpose and independence of judgement, according all shareholders in the same position the same treatment. It should be guided by the corporate interest, understood as securing long-term, profitable and sustainable business that fosters its own continuity and maximises the company's economic value.

In pursuit of corporate interest, in addition to respect for laws and rules and behaviour based on good faith, ethics and respect for customs and generally accepted good practice, the company should attempt to reconcile, where applicable, corporate interest with the legitimate interests of its employees, suppliers, customers and those of the other stakeholders that may be affected, as well as with the impact of the company's activities on the community as a whole and on the environment.

Followed

Partially followed

Explain

13. In the interests of maximum effectiveness and participation, the Board of Directors should ideally comprise between five and fifteen members.

Followed

Explain

14. The Board of Directors should approve a director selection policy that:

- a) Is specific and verifiable.
- b) Ensures that appointment or re-election proposals are based on a preliminary analysis of the needs of the Board of Directors.
- c) Favours diversity of knowledge, experience and gender.

The findings of the preliminary analysis of the needs of the Board of Directors should be included in the Nomination Committee's supporting report, which should be published when calling the Annual General Meeting to which the ratification, appointment or re-election of each director will be submitted.

The director selection policy should encourage the achievement of the target of at least 30% of the total members of the Board of Directors being female in 2020.

Each year the Nomination Committee shall verify compliance with the director selection policy and this shall be reported on in the Annual Corporate Governance Report.

Followed Partially followed Explain

15. Proprietary and independent directors should occupy an ample majority of Board places, while the number of executive directors should be the minimum number required, bearing in mind the complexity of the corporate group and the ownership interests held by the executive directors.

Followed Partially followed Explain

16. The proportion of proprietary directors as a percentage of the total non-executive directors should not exceed the proportion of the company's capital they represent.

This criterion may be relaxed:

- a) At large cap companies where few equity stakes attain the legal threshold for significant shareholdings.
- b) At companies with multiple shareholders represented on the Board of Directors but not otherwise related.

Followed Explain

Since 2015, the Company has given independent directors such a significant representation on the Board of Directors that they make up the majority of the Board, thereby avoiding the disproportionate influence of proprietary directors. However, the proportion is slightly higher than that indicated in the recommendation, despite having fallen in 2017. This should be considered reasonable taking into account that the company has few major shareholders and the significant size of the treasury share portfolio.

17. The number of independent directors should represent at least one half of all Board members.

However, if the company is not a large cap company or, even if it is but has one shareholder or various shareholders acting collectively controlling more than 30% of the share capital, the number of independent directors should represent at least a third of the total number of directors.

Followed Explain

18. Companies should post the following director particulars on their websites, and keep them permanently updated:

- a) Professional experience and background
- b) Directorships held in other companies, listed or otherwise, and other paid activities carried out by the directors, regardless of their nature.
- c) An indication of the director's classification as executive, proprietary or independent; in the case of proprietary directors, stating the shareholder they represent or have links with.
- d) The date of their first appointments as a company director, and subsequent re-elections.
- e) Shares held in the company and any options thereon.

Followed Partially followed Explain

19. After verification by the Nomination Committee, the Annual Corporate Governance Report should also disclose the reasons for the appointment of proprietary directors at the request of shareholders controlling less than 3% of capital and explain any rejection of a formal request for a Board place from shareholders whose ownership interest is equal to or greater than that of others applying successfully for a proprietary directorship.

Followed

Partially followed

Explain

Not applicable

20. Proprietary directors should resign when the shareholders they represent transfer their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latter's number should be reduced accordingly.

Followed

Partially followed

Explain

Not applicable

21. The Board of Directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where just cause is found by the Board of Directors, based on a proposal from the Nomination Committee. In particular, just cause shall be presumed to exist when a director is appointed to a new post or undertakes new obligations that prevent him or her from devoting the necessary time to the duties required of a director, is in breach of the duties inherent to his or her position or comes under one of the grounds which result in the loss of his or her position as an independent director in accordance with the applicable legislation.

The removal of independent directors may also be proposed as a result of a takeover bid, merger or similar corporate transaction producing changes in the company's capital structure, when such changes in the structure of the Board of Directors are made in order to meet the proportionality criterion set out in Recommendation 16.

Followed

Explain

22. Companies should establish rules obliging directors to inform the Board of any circumstance that might harm the organisation's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent trial.

When a director is sued or tried for any of the offences established in corporate legislation the Board of Directors should examine the matter forthwith and, in view of the particular circumstances, decide whether or not he/she should be called on to resign. The Board of Directors should also disclose all such determinations in the Annual Corporate Governance Report.

Followed

Partially followed

Explain

23. All directors should express clear opposition when they feel a proposal submitted for the Board's approval might damage the corporate interest. In particular, independents and other directors unaffected by the conflict of interest should challenge any decision that could go against the interests of shareholders lacking Board representation.

When the Board of Directors makes material or reiterated decisions about which a director has expressed serious reservations, then he/she must draw the pertinent conclusions. Directors resigning on such grounds should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the Secretary of the Board, director or otherwise.

Followed

Partially followed

Explain

Not applicable

24. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the Board of Directors. Irrespective of whether such resignation is filed as a significant event, the motive for the same must be explained in the Annual Corporate Governance Report.

Followed

Partially followed

Explain

Not applicable

25. The Nomination Committee should ensure that the non-executive directors have enough time available to correctly discharge their functions.

The Board Regulations should establish the maximum number of company directorships the Board members can hold.

Followed

Partially followed

Explain

26. The Board of Directors should meet with the necessary frequency to properly perform its functions (at least eight times a year), in accordance with a calendar and agenda set at the beginning of the year, to which each director may individually propose the addition of other items.

Followed

Partially followed

Explain

27. Directors' absences should be kept to the bare minimum and quantified in the Annual Corporate Governance Report. When directors have no choice but to delegate their vote, they should do so with instructions.

Followed

Partially followed

Explain

28. When directors or the secretary express concerns about a proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, the person expressing them can request that they be recorded in the minutes.

Followed

Partially followed

Explain

Not applicable

29. The company should establish the appropriate channels in order for the directors to be able to obtain the advisory services required for the fulfilment of their functions, including, as the circumstances may require, external advisory services charged to the company.

Followed

Partially followed

Explain

30. Companies should also offer the directors refresher programmes when the circumstances so advise, regardless of the knowledge required of the directors to discharge their functions.

Followed

Explain

Not applicable

31. The agenda of the meetings should clearly indicate the items on which the Board of Directors must adopt a decision or resolution so that the directors can first study them or find the information required to adopt them.

Exceptionally, in urgent cases when the chairman wishes to submit decisions or resolutions that do not appear in the agenda for approval to the Board of Directors, the prior and express consent of the majority of the directors present shall be required, and this shall be duly recorded in the minutes.

Followed

Partially followed

Explain

32. The directors shall be regularly informed of the changes in the shareholder structure and of the opinion that the significant shareholders, investors and credit rating agencies have of the company and its group.

Followed

Partially followed

Explain

33. In addition to performing his or her functions as stipulated in the law and the bylaws, the chairman, as the person responsible for the proper functioning of the Board of Directors, should prepare and submit to the Board of Directors a programme of dates and business to be transacted; should organise and coordinate regular evaluations of the Board and, as appropriate, the evaluation of the chief executive of the company; should be responsible for managing the Board and its effective operation; should ensure sufficient time is devoted to discussing strategic matters; and should agree and review the refresher programmes for each director when the circumstances so advise.

Followed

Partially followed

Explain

34. Should there be a lead director, in addition to the powers legally attributed to them, the company bylaws or Board Regulations should also confer the following powers on them: to chair meetings of the Board of Directors should the chairman (and deputy chairman, if there is one) not be available; express the concerns of non-executive directors; contact investors and shareholders to learn their views in order to be able to form an opinion on their concerns, in particular in relation to the corporate governance of the company; and coordinate the succession plan for the chairmanship.

Followed

Partially followed

Explain

Not applicable

35. The Secretary of the Board of Directors should take special care to ensure the Board's actions and decisions take into account the good governance recommendations included in this Good Governance Code that might be applicable to the company.

Followed

Explain

36. The Board of Directors in plenary session should evaluate the following points on a yearly basis and, if appropriate, adopt an action plan to correct any deficiencies detected in relation to the following:

- a) The quality and efficiency of the Board's operation.
- b) The operation and composition of its committees.
- c) Diversity in the composition and responsibilities of the Board of Directors.
- d) The performance of the chairman of the Board of Directors and the chief executive of the company.
- e) The performance and contribution of each director, placing particular emphasis on the persons responsible for the various committees of the Board.

The various committees shall be assessed based on their reports to the Board of Directors, while the Nomination and Remuneration Committee's report shall be used to assess the Board of Directors.

Every three years, the Board of Directors shall be assisted in the evaluation by an external consultant, the independence of which shall be verified by the Nomination Committee.

The business relationships that the consultant or any company from its group has with the company or any company from its group must be disclosed in the Annual Corporate Governance Report.

The process and the areas evaluated shall be disclosed in the Annual Corporate Governance Report.

Followed

Partially followed

Explain

37. When the company has an Executive Committee, the breakdown of its members by director category should be similar to that of the Board itself. The Secretary of the Board should also act as secretary to the Executive Committee.

Followed

Partially followed

Explain

Not applicable

38. The Board of Directors should be kept fully informed of the business transacted and resolutions adopted by the Executive Committee. To this end, all Board members should receive a copy of the Committee's minutes.

Followed

Partially followed

Explain

Not applicable

39. All members of the Audit Committee, particularly its chairman, should be appointed with regard to their knowledge and background in accounting, auditing and risk management matters and the majority of these members should be independent directors.

Followed

Partially followed

Explain

40. Under the supervision of the Audit Committee, there should be a unit responsible for the internal audit function which ensures the systems of internal control and financial reporting function correctly, and which reports to the non-executive chairman of the Board or the chairman of the Audit Committee.

Followed

Partially followed

Explain

41. The head of the internal audit function should present an annual work programme to the Audit Committee, report directly on any incidents arising during its implementation, and submit an activities report at the end of each year.

Followed

Partially followed

Explain

Not applicable

42. The Audit Committee should have the following tasks in addition to those provided for by law: 1. With respect to internal control and reporting systems:

- a) Oversee the preparation and integrity of the financial information of the company and, if applicable, of the group, and check compliance with legal provisions, the accurate demarcation of the scope of consolidation and the correct application of accounting standards.

- b) Monitor the independence of the internal audit function; proposing the selection, appointment, re-appointment and removal of the head of internal audit; proposing the internal audit department's budget; approving its work plans and methods, ensuring that its activity focuses primarily on the company's significant risks; receiving periodic information on its activities; and checking that senior management acts on the findings and recommendations of its reports.
- c) Establish and monitor a mechanism whereby employees can report, in a confidential or, where possible and if appropriate, anonymous manner, any potentially significant irregularities within the company, particularly of a financial and accounting nature.

2. In relation to external audit:

- a) The Committee should investigate the circumstances giving rise to the resignation of any external auditor.
- b) Oversee the remuneration of the work of the external auditor to ensure its quality and its independence are not compromised.
- c) Supervise that the company reports any change of auditors to the Spanish National Securities Market Commission (CNMV) as a significant event, with an accompanying statement of any disagreements arising with the outgoing auditors and the reasons behind them.
- d) Ensure that the external auditor holds an annual meeting with the Board of Directors in plenary session to inform it of the work performed and the changes in the accounting situation and risks of the company.
- e) Ensure the company and the external auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard auditors' independence.

Followed

Partially followed

Explain

43. The Audit Committee may call on any company employee or executive to be present at its meeting, even ordering their presence without another senior executive.

Followed

Partially followed

Explain

44. The Audit Committee should be informed of the structural and corporate changes expected to be made by the company for analysis and reporting thereof prior to the Board of Directors meeting on their economic conditions and their accounting impact and, especially, as appropriate, on the proposed exchange ratio.

Followed

Partially followed

Explain

Not applicable

45. The control and risk management policy should specify at least:

- a) The different types of financial and non-financial risk (operational, technological, legal, social, environmental, political and reputational, among others) the company is exposed to, with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.
- b) The determination of the risk level the company sees as acceptable.
- c) Measures in place to mitigate the impact of identified risks, should they occur.
- d) The internal reporting and control systems to be used to control and manage the above risks, including contingent liabilities and off-balance sheet risks.

Followed

Partially followed

Explain

46. An internal control and management function should exist under the direct supervision of the Audit Committee, or as appropriate, of a specialist committee of the Board of Directors, for the management of risks, performed by a unit or internal department of the company, which would have the following functions allocated to it:

- a) Ensure the risk control and management systems function correctly and, in particular, all the major risks affecting the company are adequately identified, managed and quantified.
- b) Actively participate in preparing the risk strategy and in major decisions regarding risk management.
- c) Ensure the risk control and management systems adequately mitigate risks in the framework of the policy defined by the Board of Directors.

Followed

Partially followed

Explain

47. The members of the Nomination and Remuneration Committee -or of the Nomination Committee and the Remuneration Committee, if they are separate- should be appointed with regard to their having the knowledge, skills and experience appropriate to the functions they would have to perform, and the majority of the members should be independent directors.

Followed

Partially followed

Explain

48. Large cap companies should have separate nomination and remuneration committees.

Followed

Explain

Not applicable

Since the members of the Nomination and Remuneration Committee were selected from among the members of the Board of Directors due to their experience, specialisation and dedication in nomination and remuneration matters, the creation of two separate committees with an identical composition would be inadvisable.

49. The Nomination Committee should consult with the company's chairman of the Board of Directors and chief executive, especially on matters relating to executive directors.

Any board member may suggest directorship candidates to the Nomination Committee for its consideration.

Followed

Partially followed

Explain

50. The Remuneration Committee should carry out its duties independently, and should have the following duties in addition to those attributed to it by law:

- a) Propose to the Board of Directors the standard conditions for senior executive employment contracts.
- b) Check compliance with the remuneration policy set by the company.
- c) Review the remuneration policy applied to directors and senior executives on a regular basis, including remuneration systems with shares and their application, and ensure their individual remuneration is proportionate to what is paid to the other directors and senior executives of the company.
- d) Ensure possible conflicts of interest do not infringe upon the independence of the external advisory services provided to the committee.

- e) Verify the information on the remuneration of the directors and senior executives contained in the various corporate documents including the annual report on the remuneration of the directors.

Followed

Partially followed

Explain

51. The Remuneration Committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior executives.

Followed

Partially followed

Explain

52. The rules governing the composition and operation of the supervisory and control committees should be included in the Board Regulations and should be consistent with those applicable to statutory committees according to the aforementioned recommendations, including the following:

- a) The committees should be formed exclusively of non-executive directors, with a majority of independent directors.
- b) The committees should be chaired by an independent director.
- c) The Board of Directors should appoint the members of such committees having regard to the knowledge, aptitudes and experience of its directors and the remit of each committee and should discuss their proposals and reports. The committees should report the business transacted and account for the work performed at the first plenary session of the Board following each committee meeting.
- d) Committees may engage external consultants, when they feel this is necessary for the discharge of their duties.
- e) Meetings should be recorded in minutes and should be made available to all Board members.

Followed

Partially followed

Explain

Not applicable

53. The supervision of fulfilment of the corporate governance rules, the internal codes of conduct and the corporate social responsibility policy should be entrusted to one, or shared between several, committees of the Board of Directors, which could include the Audit Committee, the Nomination Committee, the Corporate Social Responsibility Committee, if it exists, or a specialist committee the Board of Directors might decide to create through the exercise of its self-governing powers, to which the following minimum functions would be specifically assigned:

- a) The supervision of fulfilment of the company's internal codes of conduct and corporate governance rules.
- b) The supervision of the communication strategy and the relationship with shareholders and investors, including small and medium-sized shareholders.
- c) The regular evaluation of the suitability of the company's corporate governance system, in order to ensure it fulfils its mission to promote the corporate interest, and takes into account, as applicable, the legitimate interests of the other stakeholders.
- d) The review of the company's corporate responsibility policy to ensure it is centred on value creation.
- e) The monitoring of the corporate social responsibility strategy and practices, and the evaluation of their degree of fulfilment.
- f) The supervision and evaluation of the processes in relation to the various stakeholders.
- g) The evaluation of all the company's non-financial risks, including operational, technological, legal, corporate, environmental, political and reputational risk.

h) The coordination of the process of reporting non-financial and diversity information in accordance with the applicable legislation and the international standards of reference.

Followed

Partially followed

Explain

54. The corporate social responsibility policy should include the principles or commitments taken on by the company on a voluntary basis in its relationship with the various stakeholders and should identify at least the following:

- a) The objectives of the corporate social responsibility policy and the development of support mechanisms.
- b) The corporate strategy in relation to sustainability, the environment and social matters.
- c) Specific practices in matters related to: shareholders, employees, customers, suppliers, corporate matters, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.
- d) The methods or systems for monitoring the results of the application of the specific practices mentioned in the previous letter, the associated risks and the management thereof.
- e) The mechanisms to supervise non-financial risks, ethics and business conduct.
- f) The company's communication, participation and dialogue channels with stakeholders.
- g) Responsible communication practices that prevent the manipulation of information and protect integrity and reputations.

Followed

Partially followed

Explain

55. The company should disclose information on matters related to corporate social responsibility using an internationally accepted methodology in a separate document or in the directors' report.

Followed

Partially followed

Explain

56. The directors' remuneration should be sufficient to attract and retain directors with the required profile and to compensate them for the dedication, abilities and responsibilities that the post entails, but should not be so high as to compromise the independent judgement of the non-executive directors.

Followed

Explain

57. Variable remuneration linked to the company's and personal performance, and remuneration comprising the delivery of shares, share options or other share-based instruments referenced to the share value and the long-term saving schemes such as pension plans, retirement systems or other employee welfare systems should be confined to executive directors.

The delivery of shares as remuneration for non-executive directors may be included provided the directors retain them until the end of their tenure. The foregoing shall not apply to shares the directors need to dispose of, as the case may be, to satisfy the costs of their purchase.

Followed

Partially followed

Explain

58. In the case of variable remuneration, remuneration policies should include technical limits and safeguards to ensure they reflect the professional performance of the recipients and not simply the general progress of the markets or the company's industry or other similar circumstances. And, in particular, the variable components of the remuneration:

- a) Should be linked to performance criteria that are predetermined and measurable, and these criteria should take into account the risk assumed to achieve a profit.
- b) Should promote the sustainability of the company and include non-financial criteria that are suited to the creation of value in the long term, such as compliance with the internal rules and procedures of the company and with its risk control and management policies.
- c) Should be established on the basis of a balance between compliance with the short-, medium- and long-term objectives, which enables the remuneration of performance over a period of time that is long enough to evaluate their contribution to the sustainable creation of value, where the elements of performance being measured are not limited to specific, occasional or extraordinary events.

Followed Partially followed Explain Not applicable

59. The payment of a significant portion of the variable components of the remuneration should be deferred for a sufficient minimum period of time to ensure the pre-established performance conditions are met.

Followed Partially followed Explain Not applicable

60. In the case of remuneration linked to company earnings, deductions should be computed for any qualifications stated in the external auditor's report entailing a decrease in such earnings.

Followed Partially followed Explain Not applicable

61. A significant portion of the variable remuneration of the executive directors should be linked to the delivery of shares or financial instruments referenced to their value.

Followed Partially followed Explain Not applicable

The remuneration policy approved at the Annual General Meeting on 24 March 2015 and in force for a period of three years allows for the annual and pluriannual variable remuneration to be paid in cash, shares or as an extraordinary contribution to the retirement scheme, with the executive director required to notify the way of payment to the Company previously to the accrual of such remuneration.

Accordingly, a significant portion of executive directors' annual and pluriannual variable remuneration is linked to share performance.

62. Once the shares, share options or rights over shares relating to remuneration systems have been allocated, the directors should not be able to transfer the ownership of a number of shares equal to twice their fixed annual remuneration, and neither should they be able to exercise the options or rights until a term of at least three years from allocation has elapsed.

The foregoing shall not apply to shares the directors need to dispose of, as the case may be, to satisfy the costs of their purchase.

Followed Partially followed Explain Not applicable

63. The contractual agreements should include a clause to enable the company to claim repayment of the variable components of the remuneration when the payment was not adjusted to the performance conditions, or when the payment was made in line with data subsequently proven to be inaccurate.

Followed Partially followed Explain Not applicable

Although there is no specific repayment clause in the agreement enabling repayment of variable remuneration based on the achievement of previously established goals to be claimed when such remuneration has been paid as a result of information that has later proven to be clearly inaccurate, it should be noted that:

- i. The Nomination and Remuneration Committee is empowered to propose to the Board of Directors that variable remuneration be cancelled under such circumstances.
- ii. Furthermore, the Nomination and Remuneration Committee should assess whether exceptional circumstances of this kind may not only imply claiming amounts wrongfully received, but also the termination of the employment relationship with the manager(s) in question, proposing the adoption of appropriate measures to the Board of Directors.

The Company considers that the current agreement should not be amended.

64. Payments for contract termination should not exceed an amount established as equal to two years' total annual remuneration, and should not be paid until the company is able to check the director has met the pre-established performance criteria.

Followed

Partially followed

Explain

Not applicable

The contract between the Company and the chief executive officer is for an indefinite term and does not establish the right to receive any termination benefits.

In the event of termination of this contract, the special senior management employment relationship agreed to in 2009, before the implementation of this recommendation, shall be reinstated.

If the aforementioned special senior management relationship is extinguished by mutual agreement between the parties, through withdrawal by the employer, through a disciplinary dismissal being held to be unjustified or null and void without reinstatement or on any of the grounds specified in Article 10.3 of Royal Decree 1382/1985, the executive shall be entitled to receive the agreed termination benefits consisting of three years' salary.

The Company has analysed this situation and considers that the current situation should not be altered.

Notwithstanding the above, it should be noted that for new hires, it is Company policy not to include a clause stipulating termination benefits exceeding two years' salary in any senior management employment contract. In addition, a hypothetical payment for the termination of the chief executive officer's contract would not be made until the Company had verified that the chief executive officer had met the previously established requirements.

H OTHER INFORMATION OF INTEREST

1. 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.
2. 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 company 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.

3. The company 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.

CODE OF GOOD TAX PRACTICES.

On 25 November 2014, the Board of Directors of Abertis Infraestructuras, S.A. resolved to comply with the Code of Good Tax Practices, drafted within the Forum of Large Companies in collaboration with the Spanish Tax Agency. This resolution applies to all companies belonging to the tax group for income tax purposes in Spain. It is expressly stated that Abertis has effectively implemented the content of this Code.

CLARIFICATION NOTE ON SECTION A.2

As Abertis Infraestructuras, S.A. is involved in a public offer procedure to acquire its shares, in section A.2, have been identified as significant shareholders all those whose percentage of voting rights reaches or exceeds 1% on December 31, 2017. All of this, in accordance as set out in section 6 of article 30 of Royal Decree 1362/2007 which enacts the Securities Market Law, in relation to transparency requirements relating to information on issuers whose securities are admitted to trading on an official secondary market or in another Regulated market of the European Union.

CLARIFICATION NOTE ON SECTION C.1.15

The pension rights accumulated by current directors include the contribution accrued in 2015, 2016 and 2017.

CLARIFICATION NOTE ON SECTION C.1.16

The total remuneration corresponds to the remuneration received by all senior executives in 2017, although some were not considered to fall into that category at year-end, and includes the amount received as a result of obtaining the multi-year bonus earned in 2015, 2016 and 2017.

CLARIFICATION NOTE ON SECTION C.1.17

Marcelino Armenter Vidal is the individual representative of CAIXA CAPITAL RISC, S.G.E.I.C., S.A., the sole director of CAIXA CAPITAL FONDOS, S.C.R., S.A.U., CAIXA CAPITAL BIOMED, S.C.R., S.A., CAIXA CAPITAL TIC, S.C.R., S.A., CAIXA CAPITAL MICRO, S.C.R., S.A. and CAIXA VENTURE CAPITAL, S.A.

Marcelino Armenter Vidal is also the individual representative of CAIXA CAPITAL FONDOS S.G.E.I.C, S.A.U, the sole director of CAIXA EMPRENDEDOR XXI, S.A.

CLARIFICATION NOTE ON SECTION C.1.45

The number of beneficiaries shown corresponds to the total number of employees who are guaranteed termination benefits in the event of dismissal in excess of the statutory amount.

CLARIFICATION NOTE ON SECTION C.2.1

Continuation of the text of the Audit and Control Committee's functions:

The minutes of the Committee meetings are made available to all of the Board members.

Following is a summary of the most significant actions performed by the Committee in 2017:

- a) Review of economic and financial information, specifically:
 - The Company's separate and consolidated financial statements for 2016, the half-yearly financial statements and quarterly economic and financial information. The Company was also notified of the requirements of the CNMV in matters within its remit.
 - The effective application of the ICFR system controls at each close and notification of the results of the reviews performed by the external auditor and the Internal Audit unit.
 - The results of the impairment tests carried out on the Group's main assets.
 - Illustrative tables showing that the Company has generated sufficient profit, and the preliminary financial statements evidencing the existence of sufficient cash and cash equivalents to be able to distribute interim dividends.
 - Monthly monitoring of the Company's treasury shares.
 - Monitoring of the regulatory and best practice developments (including tax regulations and best practices applied by Abertis since Abertis since 2014).
- b) Relationship with the auditors:
 - The Committee received information on issues that could potentially jeopardise the independence of the auditors, as well as on other matters concerning the audit process. Specifically, it monitored audit fees, including those relating to other professional services rendered to the Company and its Group.
 - The Committee verified that no grounds exist for calling the auditors' independence into question, and issued a report on their independence.
- c) Overseeing the internal audit:

One of the Audit and Control Committee's duties is to oversee the effectiveness of the internal control system at the Abertis Group. This function is undertaken mainly by Internal Audit. The main activities carried out by Internal Audit and supervised by the Audit and Control Committee in 2017 were as follows:

- Performance of the reviews included in the 2017 Audit Plan, and of other reviews arising at the request of certain Company departments or at the behest of the Internal Audit unit itself, and systematic and periodic monitoring of the recommendations proposed in the reviews.
- Approval of the 2018 Audit Plan. To this end, the companies under the Group's control were classified on the basis of risk and materiality criteria, determining the activities to be reviewed (revenue, purchases, non-current assets, staff, financial management, technology, travel expenses, maintenance and warehousing and ICFR, inter alia) and how often they should be reviewed.

d) Supervision of risk control:

One of the functions of the Audit and Control Committee is to oversee the risk management systems of the Abertis Group. This is carried out by the Risk Control Area.

The activities performed by the Risk Control Area in 2017, under the supervision of the Audit and Control Committee, most notably include the monitoring of priority risks, review of risk maps (including control activities and action plans), monitoring of changes in risks and identification of emerging risks, implementation of the GRC tool to automate and simplify the process, analysis of risks at the local level and periodic monitoring of the main risks arising from litigation at the Group.

e) Supervision of compliance systems:

One of the functions of the Audit and Control Committee is to oversee compliance with the Company's Code of Ethics and to oversee the compliance system's surveillance and control measures to prevent the commission of criminal offences, which is performed as part of the activities of the Compliance Area.

In 2016 the Committee monitored the activities implemented by the function and received information on the process of updating the management and organisational model for the prevention of crimes, the results of the work involving the preparation of a criminal risk map and changes in internal regulations on compliance, the code of ethics and crime prevention.

f) Assessment of the Audit and Control Committee's operations:

The Committee held a meeting to discuss its operations and activities in view of international best practices, changes in regulations and its own experience.

In order to comply with the provisions of Article 529 nonies of the Spanish Limited Liability Companies Law and Recommendation 36 of the Spanish Code of Good Governance for Listed Companies, the Nomination and Remuneration Committee at its meeting on 23 January 2018 appointed, after verifying their independence, an external consultant to assist the Board in carrying out its annual assessment and that of its committees. On 26 January 2018, the external consultant issued its assessment report on the functioning of the Board and its committees, which it classified as satisfactory.

CLARIFICATION NOTE ON SECTION D.2

On September 26, 2017, there was a change in control in CaixaBank (a company with which Abertis maintains balances and transactions) so that CriteriaCaixa, significant shareholder of Abertis, no longer exercises control or a dominant influence over CaixaBank. In this sense, from the aforementioned date, CaixaBank is no longer considered a related company of Abertis. Therefore, only transactions made with CaixaBank up to September 26, 2017 have been included.

In addition to the operations that are significant due to their amount or relevant for their subject matter detailed in section D.2., the following must also be indicated:

- CaixaBank, S.A.-Abertis Infraestructuras, S.A.-Nature of Contract-Type of operation: Interest charged-Amount: 2,421 thousand of euros.
- CaixaBank, S.A.-Abertis Infraestructuras Finance BV-Nature Contract-Type of operation: Interest paid-Amount: 3,628 thousands of euros.
- CaixaBank, S.A.-Autopistas, Spanish Concessionaire, S.A.-Commercial Nature-Type of operation: Reception of services-Amount: 1,634 thousand euros.
- CaixaBank, S.A.-Aumaristas Aumar, S.A.C.E.-Commercial Nature-Type of operation: Reception of services-Amount: 1,013 miles of euros.
- CaixaBank, S.A.-Vasco Aragonesa Highway, S.A.-Nature of Contract-Type of operation: Interest charged-Amount: 3,374 thousands of euros.
- CaixaBank, S.A.-Túnel de Barcelona i Cadí Concessionaire of the Generalitat de Catalunya, S.A.-Nature Contractual-Type of operation: Interest charged-Amount: 4,101 thousand euros.
- VidaCaixa, S.A. of Insurance and Reinsurance-Abertis Infraestructuras, S.A.-Nature Contractual-Type of operation: Reception of services-Amount: 1,325 thousand euros.
- VidaCaixa, S.A. of Insurance and Reinsurance-Abertis Infraestructuras, S.A.-Nature of Contract-Type of operation: Interests charged-Amount: 6,510 thousand euros.

CLARIFICATION NOTE ON SECTION D.5

The amount indicated includes the operations that are not significant due to their amount or relevant for their nature made between the Company or entities of its group and significant shareholders of the Company.

This annual corporate governance report was approved by the Company's Board of Directors at its meeting held on 06/02/2018.

Indicate whether any directors voted against or abstained in relation to the approval of this report.

Yes

No

**Abertis
Infraestructuras, S.A.
and Subsidiaries**

Auditor's report on the system
of Internal Control over Financial
Reporting (ICFR) of the
Abertis Group for 2017

*Translation of a report originally issued in
Spanish. In the event of a discrepancy, the
Spanish-language version prevails*

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails

AUDITOR'S REPORT ON THE INFORMATION RELATING TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) OF THE ABERTIS GROUP FOR 2017

To the Directors of
Abertis Infraestructuras, S.A.:

As requested by the Board of Directors of Abertis Infraestructuras, S.A. and Subsidiaries ("the Abertis Group") and in accordance with our proposal-letter of 22 November 2017, we have applied certain procedures to the information relating to the ICFR system included in section F of the accompanying Annual Corporate Governance Report ("ACGR") of the Abertis Group for 2017, which summarises the internal control procedures of the Entity in relation to its annual financial reporting.

The Board of Directors is responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system and for making improvements to that system and for preparing and establishing the content of the information relating to the ICFR system included in section F of the accompanying ACGR.

It should be noted in this regard, irrespective of the quality of the design and operating effectiveness of the internal control system adopted by the Abertis Group in relation to its annual financial reporting, that the system can only permit reasonable, but not absolute, assurance in connection with the objectives pursued, due to the limitations inherent to any internal control system.

In the course of our audit work on the financial statements and pursuant to Technical Auditing Standards, the sole purpose of our assessment of the internal control of the Abertis Group was to enable us to establish the scope, nature and timing of the audit procedures to be applied to the Abertis Group's financial statements. Therefore, our assessment of internal control performed for the purposes of the aforementioned audit of financial statements was not sufficiently extensive to enable us to express a specific opinion on the effectiveness of the internal control over the regulated annual financial reporting.

For the purpose of issuing this report, we applied exclusively the specific procedures described below and indicated in the Guidelines on the Auditors' Report on the Information relating to the System of Internal Control over Financial Reporting of Listed Companies, published by the Spanish National Securities Market Commission (CNMV) on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Since the work resulting from such procedures has, in any case, a reduced scope that is significantly less extensive than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or on its design or operating effectiveness, in relation to the Abertis Group's annual financial reporting for 2017 described in the information relating to the ICFR system included in section F of the accompanying ACGR. Therefore, had we applied procedures additional to those described below or performed an audit or a review of the internal control over the regulated annual financial reporting, other matters or aspects might have been disclosed which would have been reported to you.

Also, since this special engagement does not constitute an audit of financial statements and is not subject to the Spanish Audit Law 22/2015, of 20 July, we do not express an audit opinion in the terms provided for in that Law.

The procedures applied were as follows:

1. Perusal and understanding of the information prepared by the Abertis Group in relation to the ICFR system - disclosure information included in the directors' report- and assessment of whether this information addresses all the information required in accordance with the minimum content described in section F, relating to the description of the ICFR system, of the model ACGR established in CNMV Circular no. 7/2015, of 22 December 2015.
2. Questioning of personnel responsible for the drawing up of the information detailed in point 1 above: (i) to obtain an understanding of the process that goes into drawing up the information; (ii) to obtain information that permits an evaluation of whether the terminology used complies with the framework definitions; and (iii) to obtain information on whether the control procedures described are in place and functioning at the Abertis Group.
3. Review of the explanatory supporting documentation for the information detailed in point 1 above, including the documentation furnished directly to the personnel in charge of preparing the ICFR system descriptive information. In this regard, the aforementioned documents include reports prepared for the Audit and Control Committee by internal audit, senior management and other internal or external specialists.
4. Comparison of the information detailed in point 1 above with the knowledge on the Abertis Group's ICFR system obtained through the procedures applied during the financial statement audit work.
5. Reading of the minutes taken at meetings of the Board of Directors, Audit and Control Committee and other committees of the Abertis Group to evaluate the consistency between the ICFR business transacted and the information detailed in point 1 above.
6. Obtainment of the representation letter in connection with the work performed, signed by those responsible for preparing and formulating the information detailed in point 1 above.

The procedures applied to the information relating to the ICFR system did not disclose any inconsistencies or incidents that might affect the information.

This report has been prepared exclusively in the context of the requirements established by article 540 of Legislative Royal Decree 1/2010, of 2 July, approving the Consolidated Spanish Securities Market Law, and by CNMV Circular no. 7/2015, of 22 December, and for the purposes of the description of the ICFR system in Annual Corporate Governance Reports.

DELOITTE, S.L.

Iván Rubio Borrallo

6 February 2018