



2. VALUE CREATION

GLOBAL STRATEGY

SHARED VALUE



Ferrovial has completed its fourth year of Horizon 24 strategic plan, reiterating its strategy on the development and operation of sustainable infrastructure with focus in North America.

According to Global Infrastructure Outlook, there is an infrastructure gap that would require additional investments of 1.5 trillion USD yearly (until 2040) in countries where Ferrovial is present. Specifically in the United States, the total investment in infrastructure needed is 4 trillion USD by 2040. A significant part of that will be destined to roads and airports, which are the key infrastructure sectors in which the company develops its activity.

In 2023, the ongoing geopolitical conflicts created new uncertainties for the global economy which could deteriorate the macro-outlook rapidly if the tensions escalate to other regions. This year the economic growth slowed down in the US and in Europe, with no recession and lower inflation. This was supported by the monetary policies deployed together with the gradual implementation of public stimulus packages (IRA and CHIPs Act in US, REPowerEU and NextGen in Europe).

In this dynamic context, Ferrovial has a set of opportunities and challenges:

- Growth in cities and increased congestion lead to new transport infrastructure projects and sustainable mobility alternatives.
- Air traffic demand has shown healthy growth in all markets, reaching pre-pandemic levels in some regions.
- Energy transition targets increase the demand for new energy infrastructure but are pressured by supply chain issues and increasing financing costs.
- High deficit levels provide an opportunity for the private sector to support infrastructure development allowing use of public funds for other alternatives.
- Generative AI helps to improve efficiency but also presents risks that require new regulation and increased cybersecurity.

STRATEGY

Ferrovial is a global infrastructure company focused on the development and operation of sustainable infrastructure, with main presence in the transport sector. The company business model is based on the integration of its business units (Toll Roads, Airports, Construction and Energy). One example of this integration would be the early involvement of the construction division in the design stages of new toll road concession, reinforcing the company's capabilities and increasing its competitiveness.

Ferrovial has completed its fourth year of Horizon 24 strategic plan, reaffirming its strategy in its core businesses mainly in North America. The company announced its corporate reorganization leading to be listed in New York (Nasdaq), thus reinforcing its focus of increasing its activities in the US. In 2023 it opened a new toll road segment in the NTE 35W and continued developing new infrastructure opportunities. In addition, Ferrovial reached in 2023 the end of the investment cycle in HAH after being the industrial partner since 2006 and having contributed to the airport's transformation.

Strategic priorities:

In addition to North America, Ferrovial remains focused on its other core markets: Spain, Poland, India, Chile and the UK. The company will also identify opportunities selectively in other countries.

The company maintains its four strategic priorities:



- **People:** ensure the highest standards for health and safety in its operations and implement innovative technologies to prevent accidents for users and employees. Ferrovial will continue to attract, develop and deploy the best talent for each position, foster diversity, and actively manage the engagement level of our employees.
- **Sustainable growth:** develop and operate sustainable, innovative, and efficient infrastructure projects with high concessional value.
 - In **Toll Roads**, continue developing Express Lanes in North America and continue to proactively generate future projects. The company will also pursue selected projects in other countries such as India, where it has a strong partnership with IRB.
 - In **Airports**, develop and manage the current assets as air-traffic increases to pre-pandemic levels. Focus on delivering and integrating the new assets (JFK New Terminal One) and continue looking for additional growth opportunities.
 - In **Construction**, support infrastructure business focusing on greenfield transport projects, and develop additional local capabilities in key countries.
 - In **Energy**, develop projects for the energy transition: transmission lines, renewable projects for rotation, and energy efficiency business in selected markets.



- **Operational excellence:** continue to improve efficiency, maximize cash generation, reinforce core processes and risk management.

Ferrovial's commitment towards sustainability aims to improve the future through the development and operation of sustainable infrastructures. The company is committed to protect the environment and support communities, enhancing safety, improving user experience, and reducing travel times. Ferrovial is present in industry-leading sustainability indices such as Dow Jones Sustainability, Sustainalytics, FTSE4Good, Moody's, STOXX and Carbon Disclosure Project.



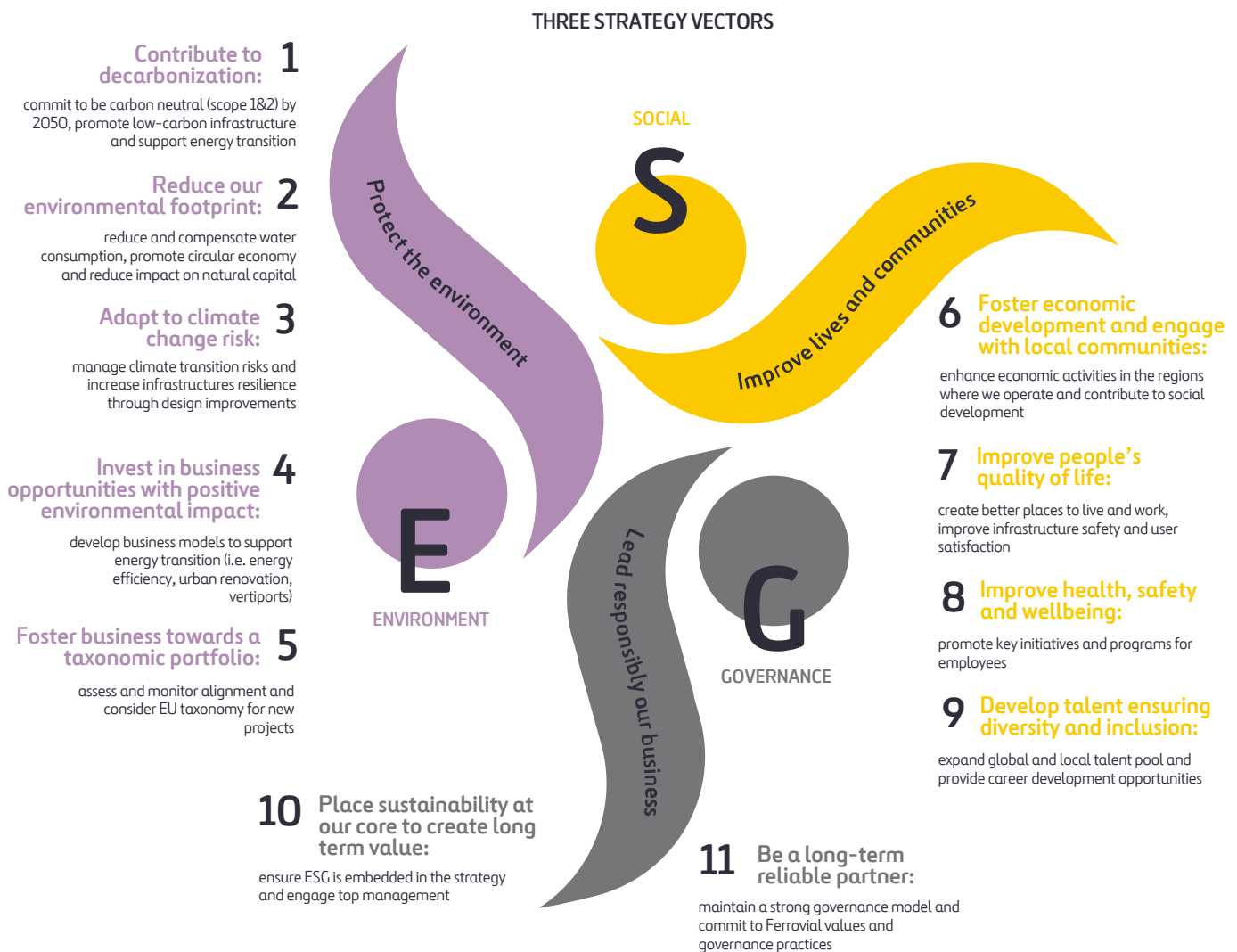
- **Innovation:** support Ferrovial's core business, accelerate its digital transformation, foster an appropriate cybersecurity culture and develop AI use cases.



SUSTAINABLE INFRASTRUC- TURE FOR A WORLD ON THE MOVE

For Ferrovial, sustainability is a key factor embedded in its Horizon 24 Strategic Plan.

This year, the sustainability strategy has been updated to integrate the ESG context, that has changed significantly, particularly regarding higher expectations from the finance community, including investors, shareholders, proxy advisors, among others, and more demanding regulations in terms of non-financial disclosure. This review ensure that sustainability remains at the core of the company, contributing to business development, helping to address the challenges that society faces and to generate new strategic opportunities, as well as building trust among its stakeholders.



The strategy has key indicators (see page 30 for further detail) that serve to evaluate the degree of implementation of Ferrovial's Sustainability Policy, along with the degree of achievement of the objectives set out in the Strategy in the short, medium and long term.

The Sustainability Policy is inspired by the 2030 Agenda and the Sustainable Development Goals (SDGs), together with internationally accepted agreements and resolutions to consolidate the company's position as a player that contributes to a more sustainable, innovative, inclusive and low-carbon economy.

From the principles and values of the Sustainability Policy emanate the rest of the company's existing policies that have implications in sustainability matters, ensuring that these principles are observed in the different entities that comprise the Group and in all the companies in which it participates. Both the Sustainability Policy and the Strategy integrate and provide consistency to all of them, guaranteeing a coordinated deployment of the different areas of action.

Ferrovial has established a framework for monitoring the impact of the SDGs in its operations and value chain, having renewed this year the AENOR certification on the alignment of the Sustainability Strategy with the SDGs.

The Board of Directors has approved the Sustainability Policy and supervises its implementation within the Sustainability Strategy and the degree of progress in the actions derived from it. Periodically, at least annually, the Sustainability Department reports to the Board of Directors on the progress of the Strategy and the level of compliance with the objectives, as well as on the progress of the most representative projects or actions. This monitoring is also carried out every four months by the Management Committee.

The Sustainability Committee is chaired by the Sustainability Director and is composed of representatives from the business areas (Toll Roads, Airports, Energy and Construction) and the corporate areas (Human Resources, General Secretariat, Health, Safety and Wellbeing, Information Systems and Innovation, Communication and Corporate Social Responsibility, Strategy, Investor Relations, Compliance and Risks, and Construction Procurement). On an annual basis, the committee chairman reports to the Board of Directors.

The Sustainability Committee is the link between the business areas and the corporation and Senior Management, reporting on progress and results, and proposing actions to the Management Committee, as well as transmitting the approval of proposals and results to the rest of the company. The main objective of this committee is to define the Strategic Sustainability Plan and monitor its follow-up. Its functions can be summarized as follows:

- Design, update and, if necessary, improve the Sustainability Strategy.
- Monitor and evaluate the company's performance in the area of sustainability based on established indicators and action plans.
- Propose working groups on specific issues.
- Share best practices of each of the areas on sustainability issues.
- Provide information for sustainability reporting (both internal and external).
- Analyze and evaluate sustainability trends, as well as new business risks and opportunities.

To respond to today's challenges, the Sustainability Strategy 2030 provides guidelines for developing innovative, efficient and sustainable infrastructures, always taking into account three fundamental dimensions: environmental, social and governance.

ENVIRONMENTAL

Ferrovial has had a Climate Strategy for several years, framed within the company's Strategic Plan and aligned with the Sustainability Strategy and the SDGs. With the aim of complying with the Paris Agreement and the 2030 Agenda, the strategy includes ambitious emission reduction targets, the roadmap for achieving climate neutrality by mid-century, the consumption of renewable energies to the detriment of fossil fuels, while developing new lines of business aimed at reaching the decarbonization of the economy and combating the effects of climate change. This strategy includes the company's reduction targets approved by the Science Based Target (SBTi) initiative, the evolution of its emissions, compliance with the established roadmap, climate risk analysis and the promotion of sustainable business models. Ferrovial is also one of the first companies in the world to submit its Climate Strategy and Greenhouse Gas Emissions Reduction Plan 2030 and the projection to 2050 for annual consultative approval at the General Shareholders' Meeting.

In terms of water management, the company plays a key role in this matter through its subsidiary Cadagua, contributing to solving the main challenges related to water supply, quality, sanitation and pollution, without neglecting Ferrovial's commitment to reducing water consumption and pollution. Since 2015, Ferrovial has been reporting its water footprint through an internally developed methodology that quantifies the impact of the company's activities on this resource.

With regard to natural capital and biodiversity, Ferrovial is working on alignment with a new nature-related standard: Taskforce on Nature-related Financial Disclosures (TNFD). The objective is to incorporate material issues linked to nature into the company's financial decisions. To this end, the company assesses dependencies, impacts, risks and opportunities in relation to nature.

Ferrovial also has a Circular Economy Plan that lays the foundations for waste management and the efficient use of materials to adopt the principles of the circular economy in all processes.

GHG EMISSION REDUCTION SCOPE1&2

-45.6%

in absolute terms compared to 2009

GHG EMISSION REDUCTION SCOPE 3*

-28.9%

in absolute terms compared to 2012
*Excluding capital goods and services categories

ELECTRICITY CONSUMED FROM RENEWABLE SOURCES

68.5%

target of 100% by 2025

SOCIAL

Under the premise of having a positive impact on society, the company focuses all its efforts on building a diverse workforce with the best talent based on meritocracy and inclusion, with the highest health and safety standards for its employees.

Incorporating the best talent in all areas of the organization is one of Ferrovial's priorities. The company's talent attraction strategy is based on attracting STEM talent, with a special focus on engineering and technology. In this line, actions have been carried out such as collaboration agreements with major universities, business schools and other entities. As well as the development of segmented initiatives to strengthen talent attraction and reinforcement as an employer brand.

During 2023, a total of 112,626 applications were received for the 3,003 job offers published in different channels, 29.77% of which were filled by internal applications.

The Horizon 24 Strategic Plan establishes the objective of having a more diverse and representative workforce, promoting an inclusive environment, where collective intelligence is enhanced to increase competitiveness and sustainability. Ferrovial therefore has a Diversity and Inclusion Policy, which establishes the main objectives and main lines of action in these areas.

The company is progressively increasing the presence of women in leadership positions, from 20 % in 2020 to 24% in 2023, in line with the target of having 30% of women in this group by the end of 2025. On the other hand, the company ensures compliance with equal pay for men and women, for which different actions have been developed to monitor the pay gap.

Ferrovial also focuses its efforts on making sure that all employees internalize health, safety and wellbeing as key values in their daily work, a critical point for creating safe and healthy work environments. All this is articulated through the Health, Safety and Wellbeing Strategy, approved by Ferrovial's Board of Directors in 2019 and recently extended until 2026.

The strategy, an Organizational approach with the pillars of Leadership, Competence, Resilience and Engagement, has been extended following an assessment and adjustment to adapt it to the changes that have arisen in the company since its approval, adding an Operational approach based on three layers of protection. Its aim is establishing the path to achieve the company's objectives, with special emphasis on reducing the number of serious and fatal accidents.

In 2022, a new Human Rights Policy covering the entire value chain was approved and the company has continued to evaluate its supply chain, made up of more than 44,000 suppliers, through the Ethical Integrity Due Diligence procedure and with a strong focus on the Supplier Code of Ethics, renewed in 2023, which includes ESG factors. With a target of 100% local purchases, last year it reached 96,9%.

Ferrovial seeks to contribute with its infrastructures to the economic development of the regions in which it operates. In this regard, Cintra contributes to greater job creation and the development of local economies (supply chain), as stated in the report entitled Economic and Community Impact of Ferrovial Toll Roads, published by an external consultant. This study, which covers the period until the end of 2022, shows that in the US, the company's toll road division contributed \$42.7 billion dollars to the US economy, while the processes associated with the construction, maintenance and management of the assets generated 228,100 full-time jobs.

The commitment to local communities goes beyond this, with different social programs focused on the most vulnerable groups in the markets where it operates. The company has donated since 2011 a total of 7.3 million euros for the development of water and sanitation infrastructures in vulnerable communities in Latin America, Africa and Asia, which have enabled 336,255 people in 12 countries to have access to water in decent conditions. Likewise, since 2012 has developed 55 projects that, with a budget of approximately one million euros, the company has improved infrastructures that facilitate access to food in Spain. In addition, the company maintains a firm commitment to quality education, with special attention to the promotion of STEM vocations.

LOCAL PURCHASING

96.9%

during 2023

GOVERNANCE

INDEPENDENT DIRECTORS

75%

It is a priority for the company to have a corporate governance aligned with national and international best practices that guarantees the integrity necessary to achieve a profitable and sustainable business in the long term, reinforcing the confidence of shareholders and other stakeholders.

The company has a Board of Directors composed of 12 members, which facilitates an efficient and participatory operation, with 75% of the members being independent. Directors are re-elected every 3 years, which allows shareholders to validate their management. Executive Directors are attributed variable component elements in remuneration, including qualitative objectives related to environmental, social and corporate governance (ESG) factors.

FEMALE REPRESENTATION AT THE BOARD OF DIRECTORS

33%

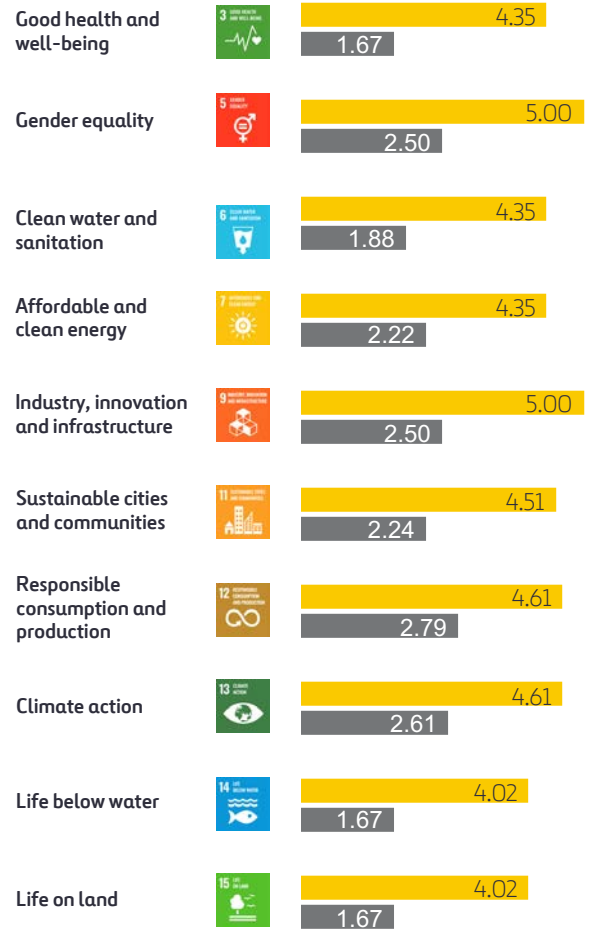
The Compliance Policy describes the Compliance Program, which is based on an effective risk management system. To this end, it has established a common process of evaluation, monitoring and control of compliance risks under the principle of "zero tolerance" to corruption and, in general, to the commission of criminal acts.

Twice a year, within the framework of Ferrovial Risk Management, the company conducts a risk assessment based on the nature of the activities carried out by the company, which is updated when regulatory, organizational or other changes occur that make this advisable. Risks are analyzed in accordance with international best practices and prioritized according to their potential impact and probability of occurrence. The results of the risk assessments, the measures implemented for their mitigation and the proposals for continuous improvement are periodically presented to the Audit and Control Committee and the Board of Directors.

Ferrovial's Code of Ethics and Business Conduct was renewed in 2023 to update it in line with the latest regulatory trends and to make it easier to understand. The code makes it mandatory to report any breach of legislation or internal regulations through the Ethics Channel, a confidential and completely anonymous system if the sender so wishes, which guarantees whistleblowers the absence of reprisals. During the financial year 2023, 167 communications were received through the different channels available.

MEASUREMENT OF TARGETS OF THE SUSTAINABILITY STRATEGY

The Sustainability Strategy has a set of key performance indicators, which serve to assess the progress and implementation level of the strategy, as well as the degree of achievement of the targets set. The Company has also established a framework for monitoring the impact on the SDGs and the 2030 Agenda. This model is certified by AENOR, with the certification that AENOR awarded in 2020 to Ferrovial on sustainability and business contribution to the Sustainable Development Goals was renewed. The results obtained in 2023 and the deadline established for each objective stand as follows:



Performance indicators	SDG	2023	Final target	Horizon
1. GHG emissions: Scope 1&2 absolute emissions (tCO2)*	13	-45.6%	-35,3% (vs 2009)	2030 (carbon neutral by 2050)
2. GHG emissions: Scope 3 absolute emissions (tCO2)**	13	-28.9%	-20% (vs 2012)	2030
3. Renewable electricity consumption	7, 12, 13	68.5%	100%	2025
4. Annual recycling of Construction & Demolition waste	12	94.4%	>70%	2023-on
5. Water consumption	6, 12	-31.3%	-20% (vs 2017)	2030
6. Taxonomic activities (% of Capex aligned)	3, 6, 7, 9, 11	16.2%	80%	2025
7. Taxonomic activities (% of turnover aligned)	12, 13, 14, 15	32.8%	60%	2025
8. H&S: Serious injuries and fatalities frequency rate (incl. subcontractors: [Number x 1M] / Hours worked)	3	-20.3%	-27,1% (vs 2022)	2025
9. Road safety (fewer crashes compared to an alternative or similar network)	3, 11	-47.5%	-30%	2023-on
10. Female talent: Leadership roles	5	23.7%	30%	2025
11. Time savings: Monetized annual time savings of the Express Lanes vs the General-Purpose Lanes in the Workday Peak	11	25.9%	+50% (vs 2022)	2030
12. Digitalization & innovation: portfolio that contributes directly and indirectly to improve ESG (% of investment over total portfolio)	9	40.0%	60%	2025

*Scope 2 emissions reported are calculated by market-based method.
**Capital goods and Purchased goods and services Scope 3 categories are not included.

NOTE: The consolidation perimeter of these indicators does not coincide in all cases with the consolidation perimeter of the Non-Financial information included in this report. For more information, see page 282.

Ferrovial's business lines have integrated the objectives of the corporate Sustainability Strategy into their activities to align themselves with its fulfillment. The main lines of action for each of them are as follows:



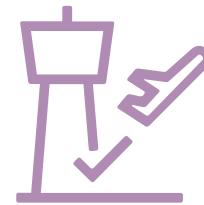
TOLL ROADS

Vision: develop roads that improve safety, enable fast and reliable travel times and contribute to decarbonization.

- Promote social wellbeing: improve productivity and livability by relieving traffic congestion and improving the quality of life in the regions where the company operates.
- Prioritize the health and safety of users and team members.
- Foster economic inclusion through job creation and training opportunities.
- Drive the decarbonization of mobility and road transport.
- Leverage technology and innovation to enable incremental benefits and disruptive solutions to support efforts in all areas.

Vision: contribute to aviation becoming a force for good and grow to be a leading global airport investor and operator.

- Focus on reducing carbon emissions to achieve Net Zero.
- Airports as on-site alternative energy hubs: renewable energies for self-consumption, development of infrastructures for the supply of SAF and hydrogen.
- Empower airport communities and provide long-term, rewarding employment with a diverse workforce.
- Position the company as a reliable long-term partner incorporating the best corporate governance practices.



AIRPORTS



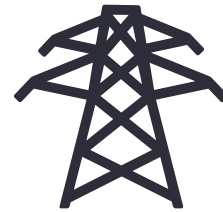
CONSTRUCTION

Vision: to promote sustainable construction, environmental protection and the positive impact of projects on local communities.

- Promote decarbonization (including our supply chain and our customers) and reduce our environmental footprint by proactively managing environmental risks on site.
- Encourage sustainable construction methods and infrastructure (urban renewal, energy transition and adaptation to climate risk).
- Guarantee the highest levels of Health, Safety and Wellbeing.
- Strengthen the construction industry's attract new talent by ensuring workforce diversity and equality on construction sites.

The Energy area, which was recently created, is consolidating its business, although it has also established its sustainability guidelines:

- Decarbonization strategy, natural capital impact assessment, infrastructure adaptation to climate change risks, health and safety strategy and social contribution to local communities.



ENERGY

SUSTAINABILITY INDEXES

Ferrovial is periodically evaluated by analysts who take into account the company's ESG performance. In 2023 the company was included in the main sustainability indexes:

- **Dow Jones Sustainability Index (DJSI)**, prepared by S&P Global: Ferrovial has been a member of this selective index for the last 22 years continuously.
- **FTSE4Good**: the company has been continuously included in this index for the last 20 editions.
- **CDP**: "A", highest rating in both CDP Climate and CDP Water.
- **MSCI**: "A" rating.
- **Sustainalytics Morningstar**: in May 2023, Ferrovial received an ESG Risk Rating of 26.2, being assessed by Sustainalytics as having a medium risk of experiencing material financial impacts from ESG factors. This rating places Ferrovial in the top 7% of companies in the Construction and Engineering sector rated by Sustainalytics. In addition, in 2023 Ferrovial was recognized by Sustainalytics as an ESG Industry Top-Rated Company within its sector.
- **MOODY'S**: member of the Euronext-Vigeo Europe 120 index.
- **ISS ESG**: Prime category.
- **GRESB**: 92 points, maximum "A" rating.
- **ECOVADIS**: gold medal, with a score of 71/100.

TOLL ROADS

A SOLID BUSINESS MODEL

EXPRESS LINES
TO
HOV 2+ **CLOSED**
T **CLOSED**
HIGHER RATES FOR NO T
OR LARGER VEHICLES

19 FT 4 IN

Ferrovial's Toll Roads business unit develops projects that improve the quality of life of users by reducing urban congestion and contributing to the socioeconomic development of the regions where it operates.

Cintra, Ferrovial's Toll Roads business unit, focuses its activity in developed financial markets with high demand for infrastructures. These markets include North America, Europe and Australia, where the company finds secure regulatory frameworks and future growth prospects. In addition, the company seeks investment opportunities in specific geographies where its business model can generate unique competitive advantages and shareholder value. In this way, Cintra focuses on offering sustainable projects to solve traffic congestion problems in urban areas, as well as complex greenfield concessions. It enables users to save time, improve the certainty of their daily commute and increase the economic productivity, which in turn generates new growth opportunities in the regions where it operates.

With over 50 years of experience, its comprehensive management model and its in-depth knowledge of new technologies applied to pricing (advanced analytics), which allow for improved demand forecasting and fare optimization, as well as the synergy with Ferrovial Construction, make Cintra a company with high potential for value creation and strong competitive advantages. The complete management of the life cycle of projects, together with a diversified and global portfolio, allows Cintra to understand the needs of all parties involved (users, administrations, economic agents), which results in the ability to provide innovative, sustainable and high value-added solutions.

During 2023, despite the complex environment in which the business has performed, Cintra's main assets have distributed dividends amounting to 704 million euros (388 million euros in 2022), including the distribution of the first dividend in June of the NTE35W of 435 million dollars (of which 233 million dollars corresponded to Ferrovial). These figures reflect the financial strength of Ferrovial's business model.

Traffic in 2023 has increased in all assets above 2022 levels, when traffic was affected by the omicron variant of COVID-19, which impacted mobility early that year, especially in Canada. Since then, traffic has experienced a solid recovery in all assets, reaching figures well above 2022 and in some cases volumes above those recorded before the outbreak of the pandemic.

In June, segment 3C north of the NTE 35W in Texas (USA) was opened to traffic before schedule. This 6.7-mile section (10.7-kilometer) involved an investment of more than 1 billion euros by Ferrovial.

Also in 2023, financing was completed for the North Tarrant Express (NTE) in Texas, in an operation valued at more than 400 million US dollars, with the aim to complete its expansion as part of the Comprehensive Development Agreement with the Texas Department of Transportation. This new investment, which is being developed at no cost to Texas taxpayers, is a further example of Ferrovial's commitment to the US market.

NORTH AMERICA

96%

Cintra's valuation according to the analysts' consensus

KILOMETERS

1,169

of Toll Roads under management

INVESTMENT MANAGED* (M€)

21,906

93% international

CONCESSIONS

21

in 10 countries

DIVIDENDS (M€)

704

(*) Information regarding investment under management and number of concessions of IRB (India) assets is not included.

ASSETS

Cintra owns 43.23% of the 407 ETR toll road in Toronto (Canada); 62.97%, 54.60% and 53.67% of the Express Lanes NTE, LBJ and NTE 35W in Texas (USA), respectively. Likewise, in North Carolina (USA), Cintra has 72.24% of the I-77 and 55.704% of the I-66 in Virginia (USA).

In the Express Lanes, the rates are dynamic and can be modified every few minutes depending on the level of congestion, always guaranteeing a minimum speed for drivers. With free-flow (barrier-free) toll systems, they stand out for the long duration of their concession, their broad tariff flexibility and an optimized long-term financial structure, positions Cintra as a leader in the private development of highly complex road transport infrastructures.

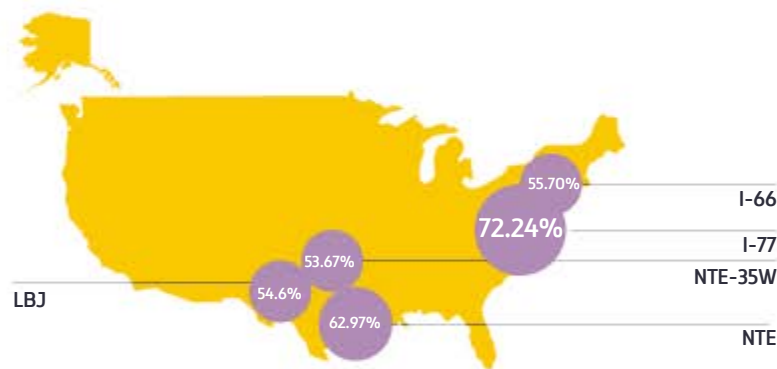
The company holds stakes and investments in other assets or corporations in Spain, Portugal, the United Kingdom, Ireland, Slovakia, Colombia, Australia and India.



TORONTO (CANADA)

43.23

407 ETR Express



VALUE CREATION

High complexity greenfield projects

Cintra specializes in complex greenfield projects due to their high value creation potential. Its ability to evaluate and assume a higher level of risk associated with the project in the bidding phase (construction, financing, operation and traffic management) allows it to opt for higher rates of return (IRR). Value creation is achieved by decreasing the discount rate of future cash flows as project risks are eliminated in the construction phase or reduced (traffic/financing) as the concession term progresses. An example of the elimination of construction risks is the opening of Segment 3C of the NTE 35W in Dallas in June 2023.

DALLAS

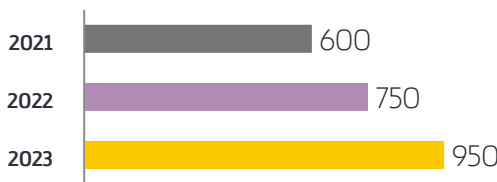
NTE 35W

opening of segment 3C

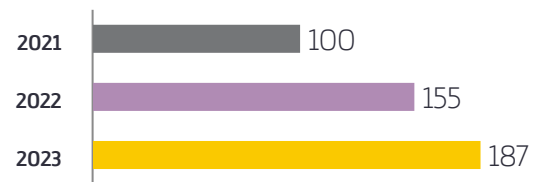
Rotation of mature assets

Value creation is materialized with the sale of mature projects, whose revenues are invested in new assets with higher value creation potential. An example of this strategy is the agreement reached in June for the divestment of the Euroscut Azores toll road with Horizon Equity Partners and River Rock for 43.3 million euros.

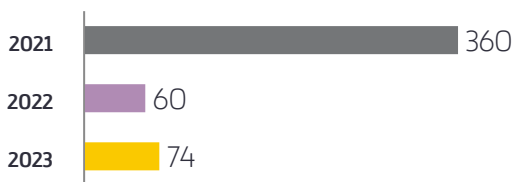
407 ETR (CANADA)
DIVIDENDS
MCAD



NTE (USA)
DIVIDENDS
M\$



LBJ (USA)
DIVIDENDS
M\$*



NTE 35W (USA)
DIVIDENDS
M\$*



Opening of NTE35W section 3C

Ferrovial announced in June the completion of the third segment of the NTE 35W project in Fort Worth, Texas, which opened three months ahead of schedule. With an investment of more than 1 billion euros, this 6.7-mile section (10.7 kilometer) of the I-35W, which connects North Tarrant Parkway to Eagle Parkway in Fort Worth, has incorporated improvements with the reconstruction of the main lanes, the widening of the service lanes and the addition of TEXpress toll lanes.

Through this public-private partnership, the NTE 35W Section 3C project has not entailed any outlay for the State of Texas. At present, Ferrovial's total investment in Texas toll roads under this formula amounts to more than 7 billion dollars, which has been allocated to the LBJ, NTE and NTE35W toll roads.

AIVIA Smart Roads

In July 2023, Cintra's US innovation team successfully presented its AIVIA Smart Roads initiative on a section of the I-66 in Northern Virginia to the Intelligent Transportation Society of America (ITSA).

The AIVIA platform is characterized by its own logic that integrates data from multiple sensors, as well as filtering false positives and providing accurate information to both Traffic Management Centers and drivers.

AIVIA's main objective is the development of an infrastructure and technology that ensures that conventional and autonomous vehicles can coexist in harmony, as well as to obtain the maximum advantages of all types of automated and autonomous vehicles, improving the safety and travel experience of users.

*Both the LBJ (2021) and NTE 35W (2023) distributed an extraordinary dividend.



Operational efficiency committed to the environment

All of Cintra's assets carry out actions to optimize their operations. Cintra's environmental strategy to reduce its carbon footprint began more than a decade ago, continuously reinforcing environmental practices and protecting the habitat of local species with ongoing monitoring of greenhouse gas emissions, waste, air and water quality and the acoustic impact produced by traffic.

Users: excellence in service

Cintra maintains its focus on customer satisfaction and its value proposition of reliability, time savings, safety and sustainability. The effectiveness of this strategy is proven by the response from customers, with increasing traffic levels in mostly all assets.



Employees: merit support

Cintra offers opportunities for the professional development of all employees by promoting internal mobility and ensuring that merit is the determining factor in their career. During 2023, 15% of employees have had the opportunity to change position or location, and one in four people work in an international assignment.

Assets that create value

Ferrovial, in collaboration with Steer, has presented the conclusions of the study "Economic and Community Impact of Ferrovial Toll Roads", which analyzes the socioeconomic impact of the toll roads managed by its subsidiary Cintra. The analysis includes the 34 assets in which the company has a stake in the United States, Canada, Spain, Portugal, Ireland, the United Kingdom, Australia, Slovakia, Colombia and India, revealing the impact of these toll roads on regional economies from the start of each concession until December 31, 2022.

The report concludes that these assets improve mobility, reduce traffic and contribute to the sustainable development of the regions where they are located. Overall, Ferrovial's assets have contributed more than 64.3 billion dollars to local economies and have created more than 344,000 jobs. Regionally, the economic impact of toll roads in North America amounted to 42.7 billion dollars, while their construction, maintenance and management generated 228,100 full-time jobs.

These figures reflect that Ferrovial's activity has a significant impact on the communities in which it operates, creating lasting value and serving as an economic engine for economic growth.

For more information, please see: https://newsroom.ferrovial.com/en/press_releases/ferrovial-tollroads-contribution-gdp/

EXPECTED BUSINESS PERFORMANCE IN 2024

For 2023, it was expected traffic on all assets to be at levels above 2022, as well as the toll revenue associated with the most important assets in the portfolio. These expectations have been met and both traffic and toll revenues have exceeded the levels of 2022. It was also expected to be above pre-Covid data for some US assets, and meeting these expectations, traffic has been above 2019 levels for all US assets except LBJ, mainly due to construction works underway in the area.

In 2024, the traffic of the company's assets is expected to continue the recovery path of 2023 and increase in all of them, nevertheless, traffic in NTE is expected to be impacted by the ongoing construction works to increase project capacity.

In terms of dividends, it is expected to continue the distribution of dividends and to start distributing the first dividend in NTE35W once the 3C opened to traffic. 3C segment was opened ahead on schedule in June, and a dividend of €435 million was distributed by the project. Dividends received by the group in 2023 were €704 million, compared to €388 million in the previous year.

In 2024, it is expected that the main infrastructure assets will continue to distribute dividends consistently according to their operating performance. Cintra will focus its efforts on maximizing the quality of the service provided, optimizing its revenues and costs, within the framework allowed by the concession contracts.

During 2023 the division finalized the equity investments in the I-66 toll road project and NTE 35W segment 3C. It is not currently expected further investment commitments in these projects during 2024. However, throughout the year, new potential opportunities such as Anillo Vial Periférico in Peru, SR400 Managed Lanes in Atlanta, Georgia and India will be analyzed.

On 2023 Cintra executed the financing transactions for NTE 35W's 5-year bonds to be used for the 2023 and 2024 principal pre-payments of the TIFIA loan and the refinancing of the 2013 PABs. As for 2024, potential opportunities to maximize the financial structure of projects will continue to be analyzed.

The expected evolution by geography is as follows:

- In **Canada**, the 407 ETR toll road will continue to focus on optimization and cost control measures without ceasing the development of its user value generation strategy. The toll road will maintain its investment in the data analytics department to improve its understanding of user behavior and personalize its value propositions, as well as to enhance its customer management systems, which will enable it to offer individualized attention through personalized offers.
- In the **United States**, all toll roads have shown solid traffic growth as well as growth in average revenue per transaction. The current inflationary context will imply an increase in the revenues of the Dallas Express Lanes, where the soft cap will increase in 2024 compared to the previous year. In this regard, the opening of segment 3C of the NTE35W will significantly increase revenues in the US market. During 2024, and thanks to the success of the North Tarrant Express project, toll road expansion work will be carried out earlier than initially planned in the development agreement that the company has with the Texas Department of Transportation. It is expected to be completed in 2027.
- In **Australia**, Cintra will continue to manage the Toowoomba toll road and the Western Roads Upgrade project, which was fully opened to traffic in November 2021.
- In **India**, where IRB Infrastructure Developers Ltd. manages 24 toll road projects with a total length of more than 15,000 kilometers, it is expected to reach significant milestones within its pipeline of projects under development during 2024.
- In the **remaining markets**, Cintra will continue to operate the assets already in operation, including the D4R7 toll road in Slovakia, which opened to traffic completely in October 2021. It will also open to traffic several sections of the Ruta del Cacao, in Colombia, and will continue with the construction of Silvertown, in the United Kingdom.

The company will continue its bidding activity in its target regions (North America, Europe, Australia, Colombia, Chile and Peru), focusing on complex greenfield projects, due to their high potential for value creation, such as the SR400 Express Lanes in Atlanta (Georgia), for which the company has been prequalified, as well as in India through IRB.

DIVIDENDS 2023

704

million euro

AIRPORTS

CONNECTING THE WORLD



Ferrovial Airports integrates all the company's airport management activities and is one of the world's leading private airport operators. It has stakes in Heathrow and AGS (United Kingdom), Dalaman (Türkiye) and in the future New Terminal One of John F. Kennedy International Airport in New York (United States).

All airports recorded a significant increase in traffic during 2023, with some exceeding 2019 levels. Growth is visible across all geographies and in both business and leisure travel. The appetite for traveling is expected to remain strong for the foreseeable future.

During 2023, Ferrovial's Airports business unit expanded its operations by actively collaborating with various projects for the recovery of traffic after the pandemic.

HEATHROW

79.2

million passengers

AGS

10.4

million passengers

DALAMAN

5.2

million passengers

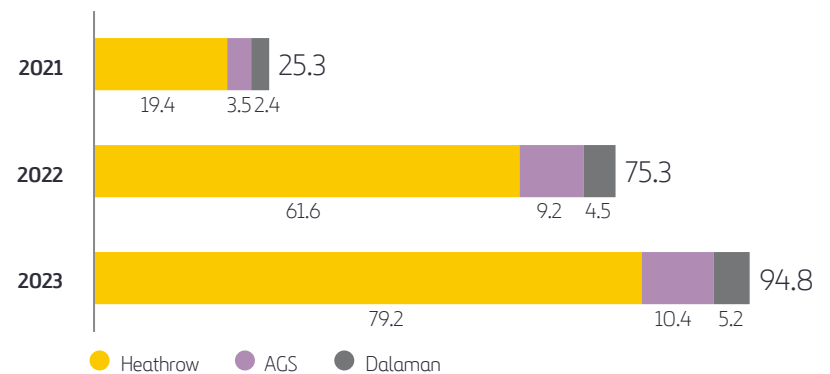
MAIN ASSETS

Ferrovial's Airports division has a portfolio of four airports in the United Kingdom: a 25% stake in Heathrow, Europe's busiest hub, and 50% in Glasgow, Aberdeen and Southampton (AGS).

In 2022, Ferrovial Airports joined, with a 49% stake, the partnership that will design, build and operate the New Terminal One at John F. Kennedy International Airport in New York, USA, and acquired a 60% stake in the company that manages the concession at Dalaman International Airport in Türkiye.

TRAFFIC

Mill. pax.



New Terminal One (NTO) at JFK International Airport

The NTO project announced in May 2023 a new partnership with Korean Airlines. The agreement with the airline has added to the portfolio of international premium carriers that have already signed with NTO, including Air France, KLM, Etihad Airways and LOT Polish Airlines, while the new terminal continues to welcome the international airline community during its construction process. NTO is currently in discussions with the international airline community operating at JFK to secure new contracts in the coming years in preparation for the opening of the terminal. This level of commitment, from companies already present at JFK for many years, is evidence of the willingness of major carriers to secure access to the highest quality facilities at JFK. By the end of 2023, NTO's securing of commitments for approximately 25%* of the estimated 2027 traffic through long-term agreements represents industry validation of the company's business plan and the airlines' appetite to pay rates and charges in line with NTO's expectations.

Construction of the first phase began in June 2022 and is scheduled for completion in June 2026. Since the start of the work, significant progress has been made, with important milestones being reached, such as the complete demolition of the green garage and the old Terminal 2; the start of the construction of the steel structure and slabs, of which significant progress can already be perceived in the central area of the building whose foundations are already completed; the enclosure of the AirTrain tracks as they pass through the terminal; the activation of the deviation of the roadway of the existing Terminal 1 facade (C-loop), which has made it possible to unify the construction area while maintaining the operations of the existing Terminal 1, as well as the diversion of all the main services affected, allowing progress without obstruction of the foundations. In addition, work is beginning on the enclosure of the central building, interior partitions, and preliminary work for installing the automatic baggage handling system.

(*). As of the date of publication of this report (February 2024), Korean Air and Asian Airlines are considering a merger. The 25% value mentioned above assumes that the merger is eventually signed. Otherwise, the % of committed traffic would be around 23%.

AGS

AGS also recorded a notable recovery in traffic, with 10.4 million passengers in the year (up 13.5% in 2022 but -23.4% in 2019, a figure influenced by Flybe's suspension of activity). In September, Southampton Airport celebrated the official opening of its runway extension as part of its commitment to expanding airport capacity and offering airlines to reach new destinations. The project consisted of the extension of the northern end of the runway by 164 meters, with an investment of £15 million (17.4 million euros).

Heathrow

Heathrow traffic experienced a strong recovery during the year as the aviation sector has been recuperating from the impact of the pandemic.

During 2023, 79.2 million passengers traveled through Heathrow, representing an increase of 28.6% over the previous year, virtually reaching 2019 levels at year-end (-2.1% for the full year). The airport was named 2023 most interconnected airport in the world according to the index "Megahubs 2023. Most Connected Airports in the World", prepared by the Official Airline Guide (OAG).

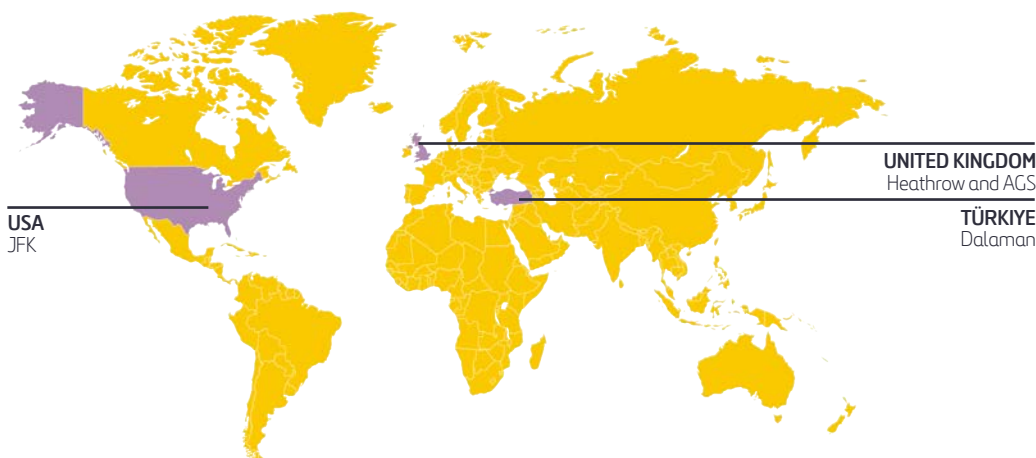
In the last quarter of the year, Ferrovial announced that an agreement had been reached for the sale of its entire stake (25%) in FGP Topco, the parent company of Heathrow Airport Holdings Ltd, for £2,368 million. The current book value of Ferrovial's stake in Heathrow Airport Holdings Ltd., according to Ferrovial's consolidated accounts, is zero. The deal has been reached with two different buyers, Ardian and The Public Investment Fund (PIF), which would acquire Ferrovial's 15% and 10% stake, respectively, through separate deal structures.

The transaction is subject to fulfilling the rights of first offer (ROFO) and full participation (tag-along rights), which the remaining shareholders of FGP Topco may exercise pursuant to the Shareholders' Agreement and the Company's Bylaws. The full completion of the acquisition is also subject to compliance with the applicable regulatory conditions.

In accordance with the tag-along process, some of FGP Topco shareholders have exercised their tag-along rights in respect of shares representing 35% of the share capital of FGP Topco (Tagged Shares). The agreement for the sale and purchase of Ferrovial SE's subsidiary's shares in FGP Topco remains in force although it is a condition for the sale of the shares that the Tagged Shares are also sold. The parties are working towards satisfaction of such condition by exploring different options to satisfy the same. Completion of the transaction continues to be subject to the satisfaction of the tag-along condition, together with applicable regulatory requirements and, consequently, there can be no certainty that the transaction will complete.

Dalaman

Dalaman Airport remains a major vacation destination for both domestic and international travelers in Türkiye, with traffic above prepandemic levels. 5.2 million passengers traveled through Dalaman in 2023 (+15.5% over 2022 and +6.8% over 2019).



VALUE CREATION



Sustainability

Sustainability continues to be a major focus for Ferrovial Airports, where the company is leading major initiatives to reduce emissions, both from aircraft and terminals. Some examples are the promotion of flights with sustainable aviation fuels (SAF), the installation of solar panels to increase self-consumption and reduce emissions, or the growing use of electric buses/equipment for different activities in the airport area.

The decarbonization of the aviation sector remains the priority in this area, where the use of PBS is a fundamental pillar. This fuel, produced from waste products, saves up to 70% of CO₂ emissions during its life cycle, while performing like the traditional aviation fuel it replaces. In this regard, in 2023, Virgin's first transatlantic flight, powered 100% by SAF, departed from Heathrow to New York. In addition, Heathrow launched the first sustainable bond covering "in-air" emissions.

Meanwhile, AGS is continuing with its plan to decarbonize its operations and infrastructure by the mid-2030s. Aberdeen Airport purchased an electric bus to transport passengers between the terminal and the parking lot. It is estimated that these new vehicles will avoid the emission of around 30 tCO₂ per year.

In early 2023, Dalaman Airport entered the Airport Carbon Accreditation (ACA) program of Airports Council International Europe (ACI Europe). The airport was directly awarded the Tier 2 Carbon Emissions Certificate, which recognizes Dalaman's efforts to manage and reduce its CO₂ emissions.



Innovation

Among the main innovation projects implemented by Ferrovial Airports in 2023, the following stand out:

- Glasgow Airport's leadership of a consortium that will test the feasibility of a hydrogen production, storage and distribution center for zero-emission flights at the airport.
- Successful flight testing of the first medical drone network to ensure more efficient delivery of critical medical supplies, also at Glasgow Airport.
- Launched digital channels at Dalaman Airport to improve passenger experience and streamline travel across the infrastructure.



Awards

During 2023, Heathrow, AGS and NTO received numerous awards, including the following:

Heathrow:

Business Traveler 2023 Awards:

- Best Airport in Europe.
- Third Best Airport in the World.
- Best Airport for shopping.

AGS

- Aberdeen, named Hub of the Year at the National Transport Awards 2023
- Glasgow, awarded Scottish Airport of the Year in the Scottish Transport Awards 2023

NTO

- Project Finance International, recognized as P3 operation of the year in America.

Green Bond issuance at NTO

John F. Kennedy International Airport's New Terminal One in New York announced a successful \$2 billion bond issuance following a strong reception from the investment community. The Series 2023 Special Facilities Revenue Bonds were oversubscribed, even after increasing the transaction by \$500 million due to investor demand. This milestone mitigates nearly one-third of the refinancing risk with still 3 years to refund the initial bank loan. A portion of the issuance (USD 800 million) was insured by Assured Guaranty Municipal Corp ("AGM").

Highlighting the project's commitment to sustainability, the bonds were designated as Green Bonds by Kestrel Verifiers, an independent second-party opinion provider, which confirmed that the uses of the bonds conform to Green Bond principles.

EXPECTED BUSINESS PERFORMANCE IN 2024

In 2024, traffic is expected to increase across all airports, with some reaching figures approaching 2019 and even higher.

- **Heathrow:** 81.4 million passengers (100.4% of 2019 levels), as reported in its latest Investor Report published, in December 2023.
- **AGS:** 12.1 million passengers (89% of 2019 levels).
- **Dalaman:** 5.5 million passengers (+11.6% vs 2019 levels).

Financial results are expected to follow traffic trends, along with an increase in commercial revenue per passenger at all airports.

Vertiports' strategy for fiscal 2024 will focus on continuing to build strong and lasting relationships with key industry stakeholders, while shaping the early stages of its development.

Dividends distribution in the coming years will largely depend on traffic recovery and business performance (Ferrovial Airports assets did not distribute dividends in 2023).

During 2024, Ferrovial Airports will continue to analyze selective investment opportunities worldwide, with an emphasis on sustainable infrastructure to which Ferrovial can contribute its operational and construction experience.

ENERGY

COMMITMENT TO ENERGY TRANSITION



At the end of 2021 Ferrovial decided to explore sustainable business opportunities by creating the Energy Infrastructure and Mobility (FEIM) division. In 2023, the foundations were laid for future activity, as well as the continuation of circular economy activities in the United Kingdom and services in Chile and Spain.

Ferrovial is not limited to the management and development of its traditional businesses; it is constantly seeking ways to respond to new social needs. Projects and opportunities that provide differential value based on the company's experience and background, and that address changes in society's habits. Energy, mobility and the circular economy are evidence of this commitment and this effort.

PHOTOVOLTAIC
SOLAR ENERGY

50MW_p
in operation

TRANSMISSION LINES

924
kilometers* under
construction and operation

CIRCULAR ECONOMY

800,000
annual tons
of MSW managed

68
kilometers of
new allotment

(*) Transchile Project: 408 km in operation (2x220 kV - 204 km); Centella Project: 504 km under construction (2x220 kV - 252 km); Tap Mauro Project: 12 km under construction (4x220 kV - 3 km); Gabriela Project: approx. 68 km (2x154 V - 34 km).

ACTIVITIES

Chile and Spain are the two main markets for **Energy Infrastructure**. Ferrovial has one transmission line (Transchile*) already operational in Chile, which was acquired in 2016, and another two under construction, included in the Centella project. Likewise, confirming its interest in continuing to grow in the transmission segment, throughout 2023 the company has continued to submit bids in various tenders, having been awarded new construction and extension projects as part of the annual Chilean transmission expansion plan, pending issuance of the award decree by the Ministry of Energy of Chile.

In Spain, the most significant milestone of the year was the El Berrocal project, a 50 MWp photovoltaic plant located in Gerena (Seville), which began operating in the last quarter of the year, and its financing was closed at the same time. Ferrovial continues to work on expanding its portfolio, where it currently has assets in the early stages of development with an installed capacity of more than 2 GW in projects designed for the hybridization of different renewable generation technologies.

Furthermore, the creation of BxF, a Joint Venture between Ferrovial and Budimex, whose main objective is the development and promotion of assets related to energy infrastructures in Poland, was materialized in 2023. This newly created company has already started its activities and has its own development team with a pipeline of greenfield projects of different technologies with an installed capacity of nearly 200 MW in the region.

In **Mobility**, Ferrovial and Renault Group reached an agreement in December 2023 for the sale of Ferrovial's entire 50% stake in the electric car-sharing service Zity to its partner, Renault. Ferrovial will focus its investments on activities related to its core business, the development and operation of sustainable infrastructure.

EL BERROCAL PROJECT

50 MWp

Solar photovoltaic plant, Seville, Spain



The **Circular Economy** is another important area of this division's activity. It has four municipal solid waste (MSW) treatment centers, located in Yorkshire, Milton Keynes, Cambridge and the Isle of Wight. Each of them is associated with a concession contract with different local authorities. Together they have a capacity to treat some 800,000 tons per year. This business comes from its former Services division, as do those in Chile and Spain. In the Andean country, its activity continues to focus on providing services to large-scale copper mining, such as maintenance, hoisting or management of the electrical loop. In Spain, it retains a 24.7% stake in Serveo, a company focused on providing auxiliary services to public and private clients.

STRATEGY

Ferrovial is positioned as a preferred industrial partner, providing value in the development, financing, construction, operation and rotation of Energy's assets. Based on its experience, it plans to take advantage of business opportunities while maintaining a balance between risk and profit. The division is an active part of the company's ESG strategy, with the focus on the fight against climate change and the decarbonization of the economy, always in line with the Horizon 24 Strategic Plan.

(*) Transchile Project: 408 km in operation (2x220 kV - 204 km); Centella Project: 504 km under construction (2x220 kV - 252 km); Tap Mauro Project: 12 km under construction (4x220 kV - 3 km); Gabriela Project: approx. 68 km (2x154 V - 34 km).



In a sector subject to constant change, the company intends to use, together with its own resources, participation in industrial ecosystems, developing and investing in technologies that enable growth in profitable businesses. The activity will focus on Ferrovial's preferred geographies, especially the United States, Spain, Chile and Poland.

BACKGROUND

The future of energy infrastructure and mobility depends largely on five rapidly evolving trends:

- The need and willingness to have greater energy autonomy at regional, national and supranational levels.
- National, regional and local regulation on economic incentives or disincentives to CO₂ production, use of public spaces, regulation of planning and rights to energy assets, etc.
- Social changes driven by growing awareness of climate change and the trend toward individual preferences for more personalized services. Its was accelerated by the COVID-19 pandemic.
- Variations in asset costs due to technological progress that have been altered by rising inflation, shortages of certain components and logistical stresses.
- New products, services and business models driven by technological and process innovation.

Despite the uncertainty of the evolution of these five points, there is a growing awareness of further electrification and a different concept of personal mobility, especially in cities.

EXPECTED BUSINESS PERFORMANCE IN 2024

In Energy Infrastructures, a distinction must be made between generation and transmission:

- In the area of renewable electricity generation, Ferrovial will continue to execute greenfield projects in key markets, with a technology-independent approach. The company will continue to seek profitable acquisitions that will help it accelerate its growth and learning in this sector.
- In transmission, the company will remain focused on expanding its assets, mainly in Chile, participating in public and private tenders, leveraging its current presence and accelerating its integration throughout the value chain.

Finally, during 2024 and with the aim of strengthening the business related to the energy transition and developing new capabilities in this area more quickly and efficiently, the different Energy activities that had been carried out by the Energy Solutions area within the Construction business and those included in the Energy Infrastructure business will be merged, thereby creating a new business unit entitled Ferrovial Energy.

The rest of the activities not related to the Energy area, such as the Services business in Chile (Veltis), Waste Treatment in the United Kingdom (Thalia), other interests in Services businesses and the Mobility activities will be separately managed outside of the scope of this business line.

In Mobility, Ferrovial retains a minority stake in Inspiration Mobility, a US company that invests in the electric vehicle sector, both in cars and associated charging infrastructures, which represents a project for the future.

CONSTRUCTION

COMPLEX PROJECTS



Ferrovial Construction is the business unit that carries out the construction of civil works, building, water treatment plants, industrial works and energy transition projects, to develop sustainable, innovative and efficient infrastructures.

The Construction division is essential in achieving Ferrovial's business strategy, outlined in the Horizon 24 Plan, which is firmly committed to the development of sustainable infrastructures that have a positive impact on the environment and communities. During 2023, the company has carried out numerous contributions on the path towards the decarbonization of the economy, highlighting the execution of new renewable energy and water treatment plants, initiatives for the use of biofuels in its equipment and machinery, and the implementation of targeted sustainability strategies in its main subsidiaries.

BACKGROUND

Ferrovial Construction has increased its revenue again in 2023 and maintained its profitability at positive levels, despite the negative impact of completion work on large projects in the United States, marked by modifications and customer requirements unforeseen in the work program. The company has initiated the claims process for the recovery of these costs.

Looking at the future, the selective criteria for bidding on projects and geographies will be maintained, with a commitment to new and more collaborative contracting models, such as the award of the Construction Management at Risk contract for the Pflugerville Water Treatment Plant in Texas.

The company's expectations remain positive, with the order book at a record high, and with a solid pipeline of projects in the main markets (USA, Poland and Spain), where major investments are planned not only in transportation infrastructure but also in water, electricity transmission or energy efficiency projects as a result of multi-year plans such as the NextGen funds in Europe or the Infrastructure Investment & Jobs Act in the United States.

In Poland, the implementation of new national investment plans for highways and railroads until 2030-33 stands out, while in Texas (USA), the Department of Transportation has set a record amount of funds over the next ten years through the Unified Transportation Program Road Plan. Budimex, Webber and PLW are leaders in their respective fields in these geographies and markets.

VALUE CREATION

The achievement of Ferrovial's strategy involves Construction. The division remains committed to innovation and technology to minimize its environmental footprint, generate a positive impact on society and ensure the safety of users and workers. Along with its own profitability and cash generation capacity, it adds value by coordinating the design and construction of infrastructure concessions in which other Ferrovial investment divisions participate, as shown by the recent award for the expansion of the capacity of the NTE 1&2W Toll Road in Texas, currently operated by Cintra.

Portfolio diversification and selective internationalization

Sector diversification enables Construction to maintain its technical qualifications and to deploy continuously prepared material and human resources teams, as demonstrated by the variety of contracts awarded to Budimex in Poland in 2023. Highlights include work on the Gdansk and Swinoujscie port terminals, the Kamelia photovoltaic plant, the Nysa Klodzka and Opole anti-flooding infrastructures, and the unique Opera Nova building in Bydgoszcz.

The United States and Poland, in addition to Spain as a market of origin, remain the division's main markets, accounting for around 80% of sales. Other geographies with a stable presence are the United Kingdom, Chile, Australia and Canada.

Webber, the Civil Construction subsidiary in the United States, has reached a record high in the awarding of projects, such as the Texas IH-10 toll road in Colorado County, the US-59 in San Jacinto County, or the entry into the state of Florida through three new contracts: the I-95 in Escambia County, the I-95 in Duval County and the SR-8 in Escambia County, which consolidates the company's presence on the east coast of the country.



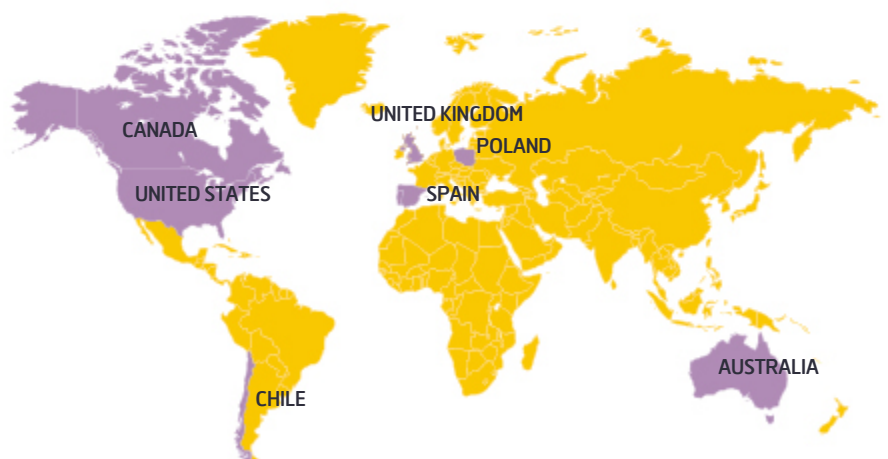
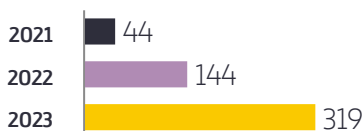
ORDER BOOK (M€)



REVENUES (M€)



CASH FLOW FROM OPERATING ACTIVITIES (M€)*



*Excluding corporate income tax

Historic record high for Webber's order books

Webber, the Civil Construction subsidiary based in Texas, USA, has reached its all-time contracting high, with more than €2.0 billion in contracts awarded in 2023. This achievement reflects Webber's favorable evolution in recent years, in which it has demonstrated positive financial performance and a successful strategy of geographic expansion into the East Coast states of the U.S. It has also diversified its project portfolio, including water treatment plants, renewable energy and road operation and maintenance services, and implemented new design-build, A+B cost and schedule, or collaborative contractual models such as CMARs.

Respect for the environment, quality and safety

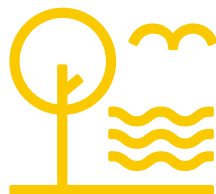
Construction operates under strict guidelines to minimize its environmental impact. Its approach to projects includes the identification of environmental risks through individual management plans to favor the conservation of biodiversity, the efficient use of energy by promoting self-consumption, decarbonization and renewable energies, and fostering the circular economy through the recovery of waste and the use of recycled materials.

The aim is to progressively reduce the carbon footprint and achieve emission neutrality by 2050. Further examples are the construction of the Greatworth "green tunnel" in the HS2 London to Birmingham project in the United Kingdom, which has been executed using the cut and cover method, and which will be buried with trees, shrubs and hedges planted on top for integration with the local landscape and flora, or the I-66 toll road wetlands project in Virginia, where a new water pond and five wetland cells have been designed and constructed as a compensatory measure for the loss of natural habitats, providing similar functionality and increasing the ecological value.

Construction's commitment to the quality of its projects is evidenced by the award of a second Data Center for Microsoft in Meco (Spain), in addition to the one awarded in 2022 in San Sebastián de los Reyes (Spain). The latter has obtained Leed Gold certification awarded by the Green Building Council, after complying with the strictest quality and sustainability criteria.

The safety of people is an essential pillar of Ferrovial Construction, and placing technology at their service is key to guaranteeing it. In addition to the innovative health and safety initiatives implemented in recent years, in 2023 a wearable system was successfully tested in different markets such as the United States, Spain and Portugal to help improve the safety conditions of workers on construction sites, with the installation of proximity sensors in vests, helmets and other connected devices to prevent interference and involuntary interactions of staff with heavy machinery, thus minimizing accidents.

As a result of this strategy in sustainability and corporate social responsibility, Ferrovial Construction has received the Gold Medal award from ECOVADIS, which evaluates more than 100,000 companies worldwide, highlighting its commitment to the environment, labor practices, social wellbeing, mental health, human rights and business ethics. This recognition places Ferrovial Construction in the top 5% of companies in its sector.





Innovation as competitive positioning

Within the framework of the Abacus Strategic Plan, Ferrovial Construction continues to focus on innovation and digital transformation. Some examples are the implementation of the use of Trimble SiteVision augmented reality in the expansion of the I-35 NEX Central toll road in Texas to identify conflicts between the 3D models and the real construction, or the promotion of the Earthworks project, which monitors and analyzes earth movement through IoT devices attached to the machinery, enabling decision-making for the optimization of production, and the prevention of environmental and safety incidents. This last initiative, which is already being used in construction sites in Spain, Australia and the USA, is being scaled up for commercialization.



Talent management

Ferrovial Construction is committed to promoting talent, equality and diversity among all its employees. As part of its ongoing commitment to their professional development, the company has implemented new initiatives such as the GoFurther and Grow programs, focused on the growth of young and female talent.

Silvertown: ground freezing and 180° rotation of the largest tunneling machine in the UK

Ferrovial Construction, together with its partners in the execution of the double-tube urban road Silvertown Tunnel under the River Thames, have applied innovative techniques such as artificial freezing of the subsoil to control groundwater, or the 180° rotation of the largest tunneling machine in the United Kingdom (82 meters long, 11.8 meters in diameter and 2,000 tons) by placing hydrogen skids. It has enabled the construction of the second parallel tunnel by reusing the same tunneling machine immediately after completing the first borehole. This process has resulted in significant savings in time, costs and CO2 emissions, providing a model for future tunneling projects. Thanks to this innovative solution, the project was awarded the Temporary Works Initiative of the Year prize from the British Construction Industry Awards. Thanks to this innovative solution, the project was recognized in 2023 with the Temporary Works Initiative of the Year award from the British Construction Industry Awards, and with four additional awards at the NCE Tunneling Awards, among which stands out Tunneling Contractor of the Year.

EXPECTED BUSINESS PERFORMANCE IN 2024

The evolution of the Construction division in 2024 is expected to be marked by the prioritization of profitability and stability in sales level. The 3.5% Adjusted EBIT target for next year established in the Horizon 24 Strategic Plan is maintained. The improvement in margins forecast for 2023 is based on the risk control measures and mitigants adopted to control inflation and on the specific contingencies included in the new contracting, favored by the completion of large projects in the United States that impacted negatively on profitability as a result of modifications and requirements unexpected in the work program. The outlook for 2024, by market, is as follows:

TARGET 2024
3.5%
 Adjusted EBIT margin

- In **Spain**, the upward trend in sales is expected to continue, thanks to the significant contracting in railroads and for private clients in the last two years. In the medium term, the application of the European NextGen funds will maintain the boost in bidding, in addition to the positive dynamics of public railway and healthcare initiatives, including price review formulas implemented by the administration, and private initiatives in industrial, logistics and technology, building and renewable energy projects.
- In the **United States and Canada**, the favorable investment in transportation infrastructure by the states and provinces will continue, with programs such as the new Texas road construction plan, 2024 Unified Transportation Program, the Moving Forward for large projects in Florida, and the Major Mobility Investment Program for P3/DBF contracts in Georgia, among others. Also, in the medium term, the pipeline remains high, favored by the federal Infrastructure Investment & Job Act, which doubles funding for transportation infrastructure. A stable level of sales is expected in 2024, thanks to both the increased pace of execution of the Ontario Line of the Toronto Metro, and to Webber's favorable performance following the major contracts awarded in recent years, despite the completion of major projects such as the I-66 toll road in Virginia, I-285/400 in Georgia, and the High Speed Rail project in California.
- In **Poland**, public tendering maintains good prospects thanks to the national road and rail investment plans until 2030-33, supported by the high level of funding allocation under the EU's 2021-27 multiannual financial framework, which ensures future stability of investment in the country. In 2024, stable turnover is expected, and the selective bidding strategy will be continued, prioritizing profitability, following the tensions arising from the increased cost of raw materials and supply chain problems caused by the uncertainty of the war in Ukraine, and expanding diversification into sectors such as energy, renewables or port terminals.
- In the **rest of the markets**, a moderate drop in sales is expected in Chile, mainly due to lower production in relevant projects such as the Centella Pan de Azúcar power transmission line or the Rutas del Loa toll road, which is expected to be completed in 2024. Other geographies, including Australia and the United Kingdom, will maintain a stable level of sales thanks to the execution of large projects awarded in previous years, such as the Coffs Harbour Bypass in New South Wales or the Silvertown Tunnel in London. Likewise, the outlook for tenders continues to be good, maintaining a selective approach, highlighting important works in tunnels, railroads and energy in Australia and the United Kingdom, while in Latin America, concession projects for roads, water treatment plants and power transmission lines will predominate, together with other Ferrovial divisions.