

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

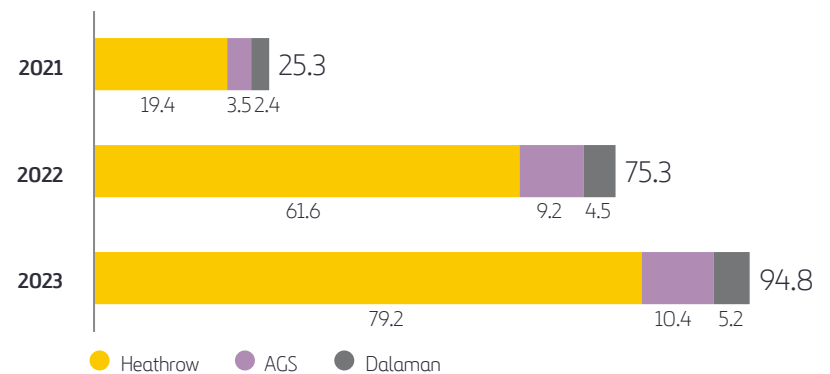
MAIN ASSETS

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).

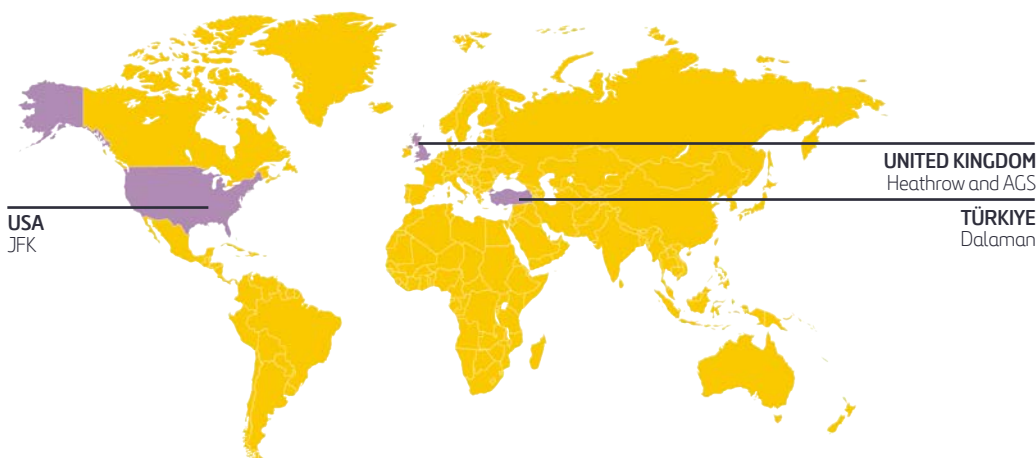
In the last quarter of the year, Ferrovial announced that an agreement had been reached for the sale of its entire stake (25%) in FGP Topco, the parent company of Heathrow Airport Holdings Ltd, for £2,368 million. The current book value of Ferrovial's stake in Heathrow Airport Holdings Ltd., according 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.