Independent auditor's report

To: the shareholders and board of directors of Ferrovial SE

Report on the audit of the financial statements 2023 included in the integrated annual report

Our opinion

We have audited the financial statements for the financial year ended 31 December 2023 of Ferrovial SE (hereinafter: Ferrovial or the Company) based in Amsterdam, the Netherlands. The financial statements comprise the consolidated and separate financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Ferrovial as at 31 December 2023 and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code
- The accompanying company financial statements give a true and fair view of the financial position of Ferrovial as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2023
- The following statements for the year ended 31 December 2023: the consolidated income statement, the consolidated statements of comprehensive income and changes in equity and the consolidated cash flow statement
- The notes comprising material accounting policy information and other explanatory information

The separate financial statements comprise:

- The company balance sheet as at 31 December 2023
- The company income statement for the year ended 31 December 2023
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Ferrovial in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Ferrovial S.A. merged on 16 June 2023 with its wholly owned subsidiary Ferrovial International SE into Ferrovial SE. The pooling of interest method was used to account for this merger and as a result the financial statements of Ferrovial SE include the full year results and corresponding information from Ferrovial S.A. Reference is also made to the basis of presentation and consolidation scope of the consolidated financial statements.

Ferrovial, including its legal predecessors, has been active internationally for over forty years and operates across seven core geographic markets. Ferrovial operates as a multinational infrastructure group with operations in a range of sectors including construction, toll roads and airports. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	EUR 81 million
Benchmark applied	Approximately 1% of revenue
Explanation	We have applied this benchmark based on our professional judgment and our perception of the financial information needs of users of the financial statements. Earnings based measures are not considered to be appropriate benchmarks, given their volatility over the past years. We believe revenue to be a key indicator of the performance of the Company and common in the industry.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the audit and control committee of the board of directors (hereinafter: the audit and control committee) that misstatements in excess of EUR 4 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

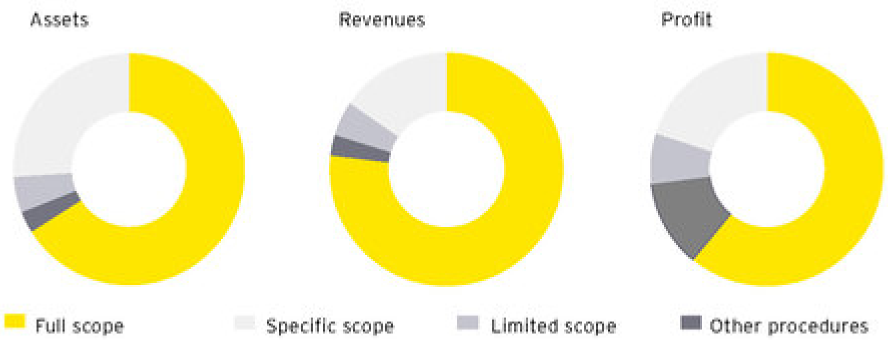
Scope of the group audit

Ferrovial is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements.
Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Accordingly, we selected entities which were required an audit of the complete financial information (Full Scope components). Furthermore, we selected entities requiring audit procedures on specific account balances that we considered had the potential for the greatest impact on the group financial statements (Specified Scope entities). For the remaining entities, we performed analytical review procedures (Limited scope procedures) or selected other procedures (Other scope entities).

We primarily used the work of other EY Global member firms when auditing entities outside the Netherlands. We communicated detailed instructions to all entity auditors for the entities in scope, including key risk areas and we reviewed their deliverables. The US, Poland and Spain are the Group's most significant locations, for these locations we performed site visits.

Our audit coverage is designed to respond to potential risks of material misstatements to the financial statements that we identified and is summarized as follows:



By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

Teaming and use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the construction business together with the long-term infrastructure concessions. We included specialists in the areas of IT audit, forensics, sustainability, remuneration and income tax and have made use of our own experts in the areas of valuations of derivatives and concessions.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model and access to financial markets of companies with a larger CO2 footprint.

The board of directors summarized Ferrovial's commitments and obligations, and reported in the section Climate Strategy of the management report how the Company is addressing climate-related and environmental risks.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the Company's commitments and (constructive) obligations, are considered in estimates and significant assumptions. Furthermore, we read the management report and considered whether there is any material inconsistency between the non-financial information and the financial statements.

The climate-related risks are especially captured in the Company's estimated future traffic volumes. We refer to the our key audit matter Recoverability of investments in infrastructure projects operated under concession arrangements' for which future traffic volumes are considered significant assumptions.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the Company and its environment and the components of the system of internal control, including the risk assessment process and the board of directors' process for responding to the risks of fraud and monitoring the system of internal control, as well as the outcomes. We refer to the Risk section (Risks, facing challenges) of the management report for the board of directors' risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the corporate code of ethics and the ethics channel (whistle blower procedures and incident registration). We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption with direct involvement of our forensic and legal specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important accounting judgements and estimates as disclosed in section 1.3.4 of the basis of preparation and consolidation scope of the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks, we presumed that there are risks of fraud in the recognition of revenue from long-term construction contracts as well as in other revenue streams. We refer to our Key Audit Matters section below for further information, as to our procedures in for fraud in the recognition of revenue from long-term construction contracts. For other revenue streams, we designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.

We considered available information and made enquiries of relevant executives, internal audit, legal, compliance, human resources and the board of directors.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the Board of Directors, reading minutes, inspection of Ferrovial internal audit reports and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section 1.2. Going concern assessment and current economic situation of the basis of preparation and consolidation scope of the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board of directors made a specific assessment of the Company's ability to continue as a going concern and to continue its operations for the next twelve months.

We discussed and evaluated the specific assessment with the board of directors exercising professional judgment and maintaining professional skepticism. We considered whether the board of directors' going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Audit Committee. The key audit matters are not a comprehensive reflection of all matters discussed.

Recognition of revenue from long-term construction contracts	
Risk	As more fully described in notes 1.3.3.4, 1.3.4, and 4.4 to the consolidated financial statements, the Company enters into long-term construction contracts where revenue is recognized over time in accordance with either the output or input method. For the fiscal year ended 31 December 2023, the Company recognized revenue from long-term construction contracts for EUR 6,090 million. Revenue recognition for contracts accounted for under the output method requires judgements in measuring the work carried out based on the surveyed performance units completed to date. Contracts accounted for under the input method require estimating the total forecasted cost to complete. For both methods, management estimates, when applicable, the total amount of revenue to be recognized including variable consideration, modifications or claims. To calculate the revenue due to variable consideration, management estimates the amount of incurred costs that will give rise to these additional sources of, or reductions to, revenue and whether such revenue meets the conditions for variable consideration, modifications or claims. Auditing management's measurement of revenue recognized over time on long-term construction contracts is especially challenging it involves subjective management assumptions regarding judgements in measuring the work carried out based on the surveyed performance units completed to date, the estimated total costs forecast to complete the work that could span several years and the amount of incurred costs that would give rise to additional sources of revenue. These assumptions could be impacted by future market and economic conditions. Moreover, we presumed that there are risks of fraud in the recognition of revenue from long-term construction contracts.

Our audit approach	We obtained an understanding of the policies and procedures that the Company applies in recognizing revenues from long-term construction contracts using the output or input method and the underlying assumptions and estimates. Our audit procedures also included, among others, evaluating the application of the Company's revenue recognition method in accordance with IFRS 15 Revenue from Contracts with Customers, performing analytical procedures and test of details on a sample of contracts to assess the relevant contractual clauses, and compare the inputs to the Company's historical data or experience for similar contracts, and to assess the reasonableness of management's assumptions and estimates. We further assessed the surveyed performance units completed and evaluated the reasonableness of the judgement on measuring the work carried out based on the surveyed performance units completed to date and the estimations on total forecasted costs to complete the work through meetings with management, as well as comparative analysis of deviations between originally planned costs and actual costs, the deviations' impact on the estimated project margins, and certifications received by the customer, as applicable. We performed a comparative analysis of budgeted versus actual revenues recognized from contracts completed during the year, and look-back analyses to historical actual costs to assess management's ability to estimate and to identify potential management bias. For variable consideration, we assessed the estimated amount of incurred costs that will give rise to additional sources of revenue by comparing actual construction progress to contractual completion dates and milestones, and evaluated if these are reasonably met to recognize the revenue. For contract modifications, we evaluated the evidence of the underlying technical report approvals and the status of the negotiation with the customers. For the amounts recognized in claims, we assessed the reasonableness of management's judgement in recognizing such items as revenues by inspecting supporting technical reports and legal confirmations.
Key observations	We concluded that the assumptions relating to the recognition of revenue from long-term construction contracts fall within acceptable ranges and we agree with the management's conclusions.

Recoverability of investments in infrastructure projects operated under concession arrangements	
Risk	As more fully described in note 1.3.3.2, 1.3.4 and 3.3 to the consolidated financial statements, concession arrangements that fall in scope of IFRIC 12, for which the consideration received consists of the right to charge fees based on the degree of use of the public service are classified as intangible assets. At December 2023, the Company recorded EUR 13,325 million of intangible assets related to concession agreements. Management assesses, at each reporting date, whether there is an indication that the concession asset may be impaired. The related calculations of the recoverable amounts are based on a discounted cash flow model, which involves management assumptions related to future traffic volumes, prices applied to customers, future operating expenses and the discount rate. Auditing management's estimates of recoverability of investments in infrastructure projects operated under concession arrangements is complex due to significance of the amounts involved, and required subjective auditor's judgement due to the significant management's estimates required in the future traffic volumes, prices applied to customers, future operating expenses and discount rate assumptions. Changes in the assumptions used could materially affect the recoverability of such investments in infrastructure projects.
Our audit approach	We obtained an understanding of the policies and procedures related to the recoverability of investments in infrastructure projects and evaluated the application of the Company's accounting policies related to estimations for recoverability of assets in accordance with IAS 36 "Impairment of assets" and IAS 38 Intangible assets. The procedures designed to address the matter in our audit included, among others, understanding the terms and conditions of concession arrangements. We determined the arithmetical accuracy of the discounted cash flow models. We evaluated the reasonableness of the future traffic volumes, prices applied to customers, future operating expenses by comparing those assumptions to recent historical performance, current economic and industry trends, and financial forecasts. We further evaluated the consistency of the future traffic volumes, prices applied to customers, future operating expenses by comparing past forecasts to subsequent actual activity. We involved a specialist to assist in evaluating the discount rates by developing a range of discount rates, which we compared to the rates used by the Company.
Key observations	We concluded that the assumptions relating to recoverability of investments in infrastructure projects operated under concession arrangements fall within acceptable ranges and we agree with the management's conclusions.

Report on other information included in the integrated annual report

The integrated annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. The board of directors is responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

Ernst & Young, S.L. was engaged by the ordinary general shareholders' meeting held on April 17, 2020 as auditor of Ferrovial S.A., as of the audit for the year 2020. Ernst & Young Accountants LLP has been appointed by the general meeting as per approved resolution on 13 April 2023 of the cross-border merger into Ferrovial SE as of 16 June 2023. We were engaged by the Company as auditor on 26 October 2023, as of the audit for the year 2023.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

Ferrovial has prepared the integrated annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the integrated annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Ferrovial, complies in all material respects with the RTS on ESEF.

The board of directors is responsible for preparing the integrated annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the board of directors combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the integrated annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, "Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of the Company's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the integrated annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
  - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF

Description of responsibilities regarding the financial statements

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Non-Executive Directors are responsible for overseeing the Ferrovial's financial reporting process. The audit and control committee assists the board of directors in its decision-making in relation to the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal control systems.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication

We communicate with the audit and control committee and the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit and control committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the audit and control committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit and control committee, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 27 February 2024

Ernst & Young Accountants LLP

signed by J.J. Vernooij