

A yellow-tinted background image of a microscope, showing the eyepiece, objective lenses, and the base. The text is overlaid on the left side of the image.

# 7. SEPARATE FINANCIAL STATEMENTS



## A. Company balance sheet as December 31, 2023 (before appropriation of profit)

(Million euro)

ASSETS	Notes	December 31, 2023	December 31, 2022 (*)
<b>Fixed assets</b>		<b>9,642</b>	<b>10,455</b>
Financial fixed assets	1.1	9,638	10,452
Participating interests in group companies		9,525	10,401
Other investments in participating interests		2	2
Receivables from associates		19	11
Deferred tax		73	26
Other receivables		20	13
Other fixed assets	1.2	4	3
<b>Current assets</b>		<b>736</b>	<b>491</b>
Receivables	1.3	629	377
Current receivables from group companies		556	315
Prepayments and accrued income		1	2
Receivables relating to income tax		68	59
Other receivables		3	0
Cash	1.4	107	114
<b>TOTAL ASSETS</b>		<b>10,378</b>	<b>10,946</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>	1.5	<b>4,102</b>	<b>4,457</b>
Share capital paid in and called up		7	743
Share premium		4,316	7,884
Revaluation reserves		-9	1
Other legal reserves		-360	-298
Other reserve		-280	-4,188
Unappropriated profits		428	315
<b>Provisions</b>	1.6	<b>89</b>	<b>220</b>
Provision for liability for participating interests		20	31
Provision for taxes		64	184
Deferred tax		0	3
Other provisions		4	1
<b>Non-current liabilities</b>	1.7	<b>5,243</b>	<b>3,442</b>
Bonds		495	0
Payables to credit institutions		296	802
Amounts due to group companies		4,425	2,633
Others		28	7
<b>Current liabilities</b>	1.8	<b>943</b>	<b>2,827</b>
Amounts due to banks		0	3
Other bonds and private loans		504	696
Amounts due to group companies		385	2,111
Payables relating to income tax		25	5
Accrued liabilities		12	1
Debts to suppliers and trade credits		1	0
Other debts		15	12
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,378</b>	<b>10,946</b>

(\*) The comparative figures have been adjusted due to the cross-border merger transaction and the change in accounting policies. Please refer to the 'Merger' note for the related disclosures.

## B. Company income statement for the year ended December 31, 2023

(Million euro)

	Notes	2023	2022 (*)
Revenue	2.1	28	40
<b>Total operating income</b>		<b>28</b>	<b>40</b>
Personnel expenses	2.2	-19	-30
Other operating expenses	2.3	-61	-16
Depreciation of property, plant and equipment		0	-1
Change in provisions on financial fixed assets	1.6	-8	-8
<b>Total operating expenses</b>		<b>-89</b>	<b>-54</b>
Profit and loss on disposals of fixed assets	2.4	18	6
Financial income	2.5	51	9
Financial expense	2.5	-187	-70
Net exchange differences		-3	-6
Derivatives result	1.1.5	30	60
<b>Total financial income and expense</b>		<b>-90</b>	<b>-1</b>
<b>Profit/(loss) before tax</b>		<b>-150</b>	<b>-16</b>
Share in results of participating interests	1.1.1	489	302
Income tax expense/credit	2.6	89	29
<b>NET PROFIT / (LOSS)</b>		<b>428</b>	<b>315</b>

(\*) The comparative figures have been adjusted due to the cross-border merger transaction and the change in accounting policies. Please refer to the 'Merger' note for the related disclosures.

## C. Accounting policies used in preparing separate financial statements

### General

Ferrovial SE is a Dutch European public limited liability company (Societas Europaea), having its corporate seat (statutaire zetel) in Amsterdam, the Netherlands, and its office address at Kingsfordweg 151, 1043 GR Amsterdam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce (Kamer van Koophandel) under number 734 221 34 (the “Company” or “FSE”).

On June 16, 2023, the Spanish corporate Ferrovial, S.A. (“FSA”), the former ultimate parent company of the Ferrovial group of companies (the “Group”) and sole shareholder of FSE, was merged into FSE (at the time named Ferrovial International SE), as a result of which FSE acquired all of FSA’s assets and liabilities under universal title (the “Merger”). As from that date, (i) FSE is the ultimate parent company of the Group and (ii) its shares are listed on both Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. (the “Dutch Stock Exchange”) and the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, regulated markets of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A (the “Spanish Stock Exchanges”).

These separate financial statements cover financial year 2023, which ended at the balance sheet date of December 31, 2023 for the reporting period, and include, all in accordance with section 4.1.6 of the Merger deed dated June 15, 2023, FSA’s results as from January 1, 2023 through June 16, 2023, as a result of the merger (commented in the “Merger note”). The impact of this transaction on the separate financial statements of Ferrovial SE is explained in detail in the notes to the annual accounts, and the comparative figures for financial year 2022 have been adjusted thereupon.

The financial statements are presented in millions of euros (‘EUR’), which is the Company’s functional currency.

### The Company’s activities

Ferrovial SE is the ultimate parent company of the Group and is, as such, engaged in holding and related activities which involve design, construction, financing, operation and maintenance of transport infrastructure and urban services. To finance and support these activities, the Company made several debt issuances of which some completed in 2023 stand out, sustainability being a key factor in the business model. Euro Commercial Paper notes were issued under a EUR 1,500 million Sustainability Target Euro-commercial paper program admitted to trading on the regulated market of Euronext Dublin in March 2023. All the issued notes from this program mature in 2023 and a new EUR 1,500 million Sustainability Target STEP label compliant Euro-commercial paper program was registered on July 31, 2023 (further details are provided in note 1.8 current liabilities’). In September 2023, the Company completed the pricing of an issue of sustainability-linked bonds amounting to EUR 500 million, with maturity date on September 13, 2030, and bearing interest of 4.375% with an issue price of 99.587%. The bonds were fully subscribed and paid up by investors on that date and admitted to trading in the regulated market of the Irish Stock Exchange.

Additionally, Ferrovial has implemented a buy-back program to reduce Ferrovial’s share capital which has been authorized for the period from December 1, 2023 to May 1, 2024 with a maximum net investment of EUR 500 million. Any amendments to the program, as well as the share purchase transactions carried out under the program, will be made public and will be disclosed to the corresponding and applicable regulatory authorities.

The Group is organized into business units based on its activities and services, as described in the consolidated financial statements (see note 1.1.4 Company’s activities).

### Going concern

For details on the company’s going concern, please refer to the consolidated financial statements, note 1.2.

### General accounting policies

The separate financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. In accordance with the provisions of Section 362–8 of Book 2 of the Dutch Civil Code the accounting policies used are the same as those used in the notes to the consolidated financial statements, prepared under IFRS as adopted by the European Union, unless stated otherwise below. Reference is made to Note 1.3 ‘Accounting policies of the consolidated financial statements.

Investments in subsidiaries are valued using the equity value method, determined applying the IFRS accounting policies as described in the consolidated financial statements. Under this method, subsidiaries are carried at the company's share in their net asset value plus its share in the results of the subsidiaries and its share of changes recognized directly in the equity of the subsidiaries as from the acquisition date, determined in accordance with the IFRS accounting policies disclosed in the consolidated financial statements, less its share in the dividend distributions from the subsidiaries. The company's share in the results of the subsidiaries is recognized in the profit and loss account. If and to the extent the distribution of profits is subject to restrictions, these are included in a legal reserve.

If the value of the subsidiary under the equity value method has become nil, this method is no longer applied, with the subsidiary being valued at nil as long as the net asset value remains negative. In connection with this, any long-term interests that, in substance, form part of the investor's net investment in the subsidiary, are included. A provision is formed if and to the extent the company stands surety for all or part of the debts of the subsidiary or if it has a constructive obligation to enable the subsidiary to repay its debts.

A subsequent share of the profit of the subsidiary is recognized only if and to the extent that the accumulated share of the previously unrecognized loss has been made good.

Following application of the equity value method, the entity determines whether an impairment loss has to be recognized in respect of the subsidiary. At each reporting date, the entity assesses whether there are objective indications of impairment of the subsidiary. If any such indication exists, the entity determines the impairment loss as the difference between the recoverable amount of the subsidiary and its carrying amount, taking it to the profit and loss account.

## Changes in accounting policies

As from 2023, the Company no longer applies the consolidation exemption set out in Section 2:408 of the Dutch Civil Code (Burgerlijk Wetboek) (the "DCC").

Since the Merger, Ferrovia SE is the Group's ultimate parent company. In view thereof, its accounting policies have changed and Ferrovia SE now reports consolidated accounts in accordance with IFRS in combination with the Company only financial statements under Dutch standards (combination 3). Under this applicable accounting policies, the participating interests in group companies (financial fixed assets) are valued through the application of the equity method, all in accordance with Section 2:362.8 Dutch Civil Code. For previous years, Ferrovia SE's participating interests in group companies were valued at cost price. Refer to the consolidated financial statements, note 1.3 'Accounting policies, for the accounting policies applied.

These changes in accounting policies have been applied (i) consistently, to promote comparability of the different accounting periods in these financial statements and (ii) retrospectively in the financial statements, which means that the entity implements the changes in accounting policies as if it had always been applied.

These impacts, together with the impact of the cross-border merger which took place in June 2023, are summarized in the Merger note below in this section, being disclosed the change in accounting policies under the heading 'Change in accounting policies'.

## Merger and related transactions

Until June 16, 2023, Ferrovia SE (at the time Ferrovia International SE), was a wholly owned subsidiary of Ferrovia SA, which was at that time a Spanish corporate and ultimate parent company of the Group. Ferrovia SA's shares were listed at the Spanish Stock Exchanges.

On June 16, 2023, Ferrovia SA merged into Ferrovia SE (still Ferrovia International SE) by way of a cross-border reverse merger as a result of which FSA ceased to exist and FSE acquired all of FSA's assets and liabilities under universal title and became the Group's ultimate parent company (previously defined as the "Merger"). Upon completion of the Merger, Ferrovia SE changed its name into its current name and listed its shares both on the Dutch Stock Exchanges and the Spanish Stock Exchanges.

In anticipation of the Merger, on May 17, 2023, FSE reduced its authorized share capital (maatschappelijk kapitaal) to EUR 7.5 million (previously EUR 750 million) consisting of 750 million ordinary shares with a nominal value of EUR 0.01 each (previously EUR 1). In connection with this capital reduction and as a result of the execution of the corresponding deed of merger (i) every two previously existing issued and outstanding shares were combined/merged into one new issued and outstanding share and therefore (ii) the issued and outstanding share capital was reduced to EUR 3,714,385.35 consisting of 371,438,535 ordinary shares with a nominal value of EUR 0.01 each.

Immediately prior to the Merger becoming effective, FSE cancelled all shares in its share capital, save for a number of shares equal to the number of shares in FSA's share capital held by FSA itself in treasury at that moment. At the Merger becoming effective, FSE increased its authorized share capital to 30 million euro consisting of 3,000 million ordinary shares with a nominal value of EUR 0.01 each.

In addition, for each immediately before the Merger issued and outstanding share in the share capital of FSA held by other parties than FSA itself or FSE, FSE allotted one share in its share capital. Accordingly, at the moment on which the Merger became effective, FSE's issued an outstanding share capital amounted to EUR 7,274,432.61, consisted of 727,443,261 shares with a nominal value of EUR 0.01 each, of which 2,879,808 were held in treasury by FSE itself.

Ferrovial SE have incorporated a branch (the "Branch") located in Spain, under the Spanish trade register and subject to Spanish tax regime. Certain assets, liabilities and other legal relationships transferred to FSE as a result of the Merger are allocated to FSE's Spanish Branch Office (Ferrovial SE Sucursal en España) at the Merger date. The participating interest allocated into the Branch are included in the Appendix II of the consolidated financial statements. These company only financial statements include also the information regarding the Branch.

As above mentioned, the pooling of interest method was used to account for the merger, meaning that assets and liabilities book values of both entities are combined, and no goodwill arose. Under the pooling of interest method, the combination is recognized as if had been effective from the beginning of the reporting periods presented for comparative purposes. Therefore, even though the transaction was completed from a legal perspective on June 16, 2023, the merger is accounted for as having occurred from January 1, 2022, and consequently, these Financial Statements include the full year results from Ferrovial S.A. as a result of the merger, on effective date January 1, 2022.

Set out below are the main accounting impacts of the Merger on the Ferrovial SE's balance sheet at January 1, 2023, showing the contributions of each entity up to the date of the merger and after this date and the changes in accounting policies.

The column 'merger adjustments' shows the impact of the combination of the two entities, including the corresponding inter-company eliminations, highlighting the elimination of the fixed assets for EUR -8,520 million.

The column 'the changes in accounting policies' basically reflects the adjustment in participating interests in group companies from the value at cost to the value through the application of the equity method, and the impact of this adjustment on equity and income statement.

(Million euro)	FERROVIAL SE BALANCE SHEET 31/12/22	FERROVIAL SA BALANCE SHEET 31/12/22	MERGER ADJUSTMENTS	CHANGE IN ACCOUNTING POLICIES	FERROVIAL SE 01/01/2023
NON-CURRENT ASSETS	8,033	10,398	-8,520	544	10,455
CURRENT ASSETS	380	325	-214		491
<b>TOTAL ASSETS</b>	<b>8,413</b>	<b>10,723</b>	<b>-8,734</b>	<b>544</b>	<b>10,946</b>
<b>EQUITY</b>	<b>8,164</b>	<b>4,300</b>	<b>-8,520</b>	<b>512</b>	<b>4,457</b>
Share capital	743	145	-145		743
Share premium	7,884	0	0		7,884
Revaluation reserves		1	0		1
Legal reserves			0	-212	-212
Other reserves	-395	3,192	-7,502	431	-4,274
Interim dividend	-1,296	0	1,296		0
Profit/(loss) for the year	1,228	961	-2,168	294	315
NON-CURRENT LIABILITIES	0	3,629	0	31	3,661
CURRENT LIABILITIES	249	2,794	-214	0	2,828
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,413</b>	<b>10,723</b>	<b>-8,734</b>	<b>544</b>	<b>10,946</b>

(Million euro)	FERROVIAL SE INCOME STATEMENT 2022	FERROVIAL SA INCOME STATEMENT 2022	MERGER ADJUSTMENTS	CHANGE IN ACCOUNTING POLICIES	FERROVIAL SE 2022
OPERATING PROFIT/(LOSS)	-28	-70	91		-7
FINANCIAL RESULT	1,256	1,002	-2,259		-1
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>1,228</b>	<b>932</b>	<b>-2,168</b>		<b>-8</b>
Share in results of participating interests	0	0	0	294	294
income tax	0	30	0		29
<b>NET PROFIT/(LOSS)</b>	<b>1,228</b>	<b>961</b>	<b>-2,168</b>	<b>294</b>	<b>315</b>

## Use of estimates

For details of (changes in) accounting estimates, please refer to the consolidated financial statements, Note 1.3.4. Accounting estimates and judgments and the accounting for provisions participating interests in group companies described in the next section.

## Financial assets

### Participating interests in Group companies

Participating interests in group companies are valued using the equity method. Under the equity method, participating interests are carried at the company's share in their net asset value. The net asset value increases with its share in the results of the participating interest and its share in the changes recognized directly in the equity of the participating interest as from the acquisition date, determined in accordance with the accounting policies disclosed in the consolidated financial statements. The net asset value decreases with the entity's share in the dividend distributions from the participating interest. The company's share in the results of the participating interest is recognized in the income statement. If and to the extent the distribution of profits is subject to restrictions, these are included in a legal reserve. The company's share in direct equity increases and decreases of participating interests is also included in the legal reserve, except for asset revaluations recognized in other reserves.

If the value of the participating interest under the equity method has become nil, this method is no longer applied with the participating interest being valued at nil as long as the net asset value remains negative. In connection with this, any long-term interests that, in substance, form part of the investor's net investment in the participating interest, are included. A provision is recognized if and to the extent the company is liable for all or part of the debts of the participating interest or if it has a constructive obligation to enable the participating interest to repay its debts. The provision is carried at the present value.

A subsequent obtained share of the profit of the participating interest is recognized only if and to the extent that the accumulated share of the previously unrecognized loss has been compensated.

Results from transactions with or between participating interests that are carried at equity method are recognized according to the Ferroviaal stake in these companies.

## Equity

### Share capital paid called up

Costs related to the incorporation and issuance of shares are charged directly to equity, less relevant income tax effects.

### Share premium

Everything contributed by shareholders at any time in excess of the nominal share capital was recognized in share premium. This also includes additional capital contributions by existing shareholders without the issue of new shares.

### Treasury shares

If the Company purchases treasury shares, the purchase price or carrying amount of the treasury shares, including transaction costs, are charged to the item other reserves, otherwise stated by the General Meeting. In case the treasury shares are sold, the result will be added to other reserves.

### Revaluation reserves

Revaluation reserves is a legal reserve and takes into account the impact of taxes on equity and results by forming a provision for deferred taxation charged to the revaluation reserves.

It arises from the movements in the value of derivatives used as part of cash flow hedging that are recognized directly within the revaluation reserve. The movements for the year 2023 are detailed in the derivative movement in the Impact on reserves explained in note '1.1.5 Other non-current receivables'.

### Other legal reserves

Other legal reserves are recognised in accordance with the Dutch Civil Code.

## Income

### Share in results of participating interests



The share in results of participating interests is the amount by which the carrying amount of the participating interest has changed since the previous financial statements as a result of the earnings achieved by the participating interest to the extent that this can be attributed to the company.

### Corporate income tax expense

For the details of corporate income tax accounting please refer to the consolidated financial statements (Note 1.3.3.3).

### Fiscal unity

Ferrovial SE is the head of the fiscal unity for corporate income tax purposes in the Netherlands. The fiscal unity includes Ferrovial Services Netherlands B.V., Ferrovial EG SE, Ferrovial Airports International SE, Ferrovial Transco International B.V., Cintra Infraestructuras SE, Cintra Global SE, Ferrovial Construction International SE, 407 Toronto Highway B.V., Hubco Netherlands B.V., Ferrovial Netherlands B.V., Ferrovial Ventures Netherlands B.V., Ferrovial Airports FMM B.V., Ferrovial Airports Turkey B.V., Thalia Waste Treatment B.V., Cintra Projects B.V., and Cintra INR investments B.V.

There is a dispute with the Dutch tax authorities regarding the fiscal unity existence for 2019 and the first two months of 2020 due to a restructuring abroad. Currently and according to the tax authorities, the group ceased to exist and became a stand-alone taxpayer for that period. No provision has been recorded in relation to this litigation since the possibility of an economic outflow is considered remote. The potential impact of regularization in the event that the Dutch tax authorities consider that all the Group's Dutch companies should be taxed under the individual scheme has been estimated at EUR 2.5 million (for 2019 and 2020). Taxes are settled within this fiscal unity as if each company were an independent taxable entity. There was a secondary request was made to the Dutch tax authorities to ensure the existence of the fiscal group as of March 1, 2020.

The Spanish Branch is the head of the fiscal unity for corporate income tax purposes in the Netherlands. The fiscal unity includes Ferrovial Emisiones, S.A.U., Ferrovial Corporación, S.A.U., Ferrofin, S.L., Ferrovial Inversiones, S.A., Temauri, S.L.U., Ferrovial 001, S.A., Ferrovial venture vi, S.A.U., Ferrovial ventures, S.A., Ferrovial 008, S.L.U., Ferrovial 009, S.L.U., Ferrovial 011, S.A., Ferrovial 012, S.A., Ferrovial 013, S.A., Ferrovial 014, S.A., Ferrovial 015, S.L., Ferrovial 016, S.L., Ferrovial 017, S.L., Ferrovial mobility, S.L., Roland servicios empresariales, Ferrovial Infraestructuras energeticas, S.A., Parque solar Casilla S.L.U., Cea Infraestructuras Energéticas, Jucar Infraestructuras Energéticas, Pisuerga infraestructuras Energéticas, Ferrovial 004, S.L., Ferrovial Growth VI, S.L.U., Ferrovial Transco España, S.A.U., Ferrovial Aeropuertos España, S.A., Ferrovial Construcción, S.A., Cimentaciones Esp. y Est. cimsa, S.A., Cadagua, S.A, Ferrovial Medio ambiente y Energia S.A., Arena Recursos Naturales, S.A., Ferrovial Conservacion, S.A., Tecpresa structural solutions, S.A., Ditecpesa, S.A., Compañía de obras Castillejos, S.A., Urbaoeste, S.A., Concesionar. de prisiones Lledoners, S.A., Depusa Aragon, S.A., Ferrovial Railway, S.A., Webber Equipment & Materials suc españa, Siemens industria S.A., Siemens Control y Sistemas S.A., Cintra Infraestructuras Irlanda, S.L.U., Cintra Desarrollo España, Cintra infraestructuras España, S.L.U., Cintra Servicios de infraestructuras S.A., Cintra Inversiones S.L. sdad. unipersonal, Autovia de aragon sdad. conc. S.A., Ferrovial Aravia S.A., Pilum, S.A., Autopista Terrassa-manresa, Autema, cgc, Inversora de autopistas de Cataluña, S.L.U., Cintra inv. de autopistas de Cataluña SL, Autopista Alcalá O' donell, S.A.U..

## 1. Notes to the Company's only balance sheet at December 31, 2023

### 1.1 Financial Fixed assets

The financial fixed assets can be broken down as follows:

(Million euro)	Note	2023	2022
Participating interests in group companies	1.1.1	9,525	10,401
Other investments in participating interests	1.1.2	2	2
Receivables from group companies	1.1.3	19	11
Deferred tax	1.1.4	73	26
Other receivables	1.1.5	20	13
<b>Total financial fixed assets</b>		<b>9,638</b>	<b>10,452</b>

More details in the following sub-notes.

#### 1.1.1 Participating interests in Group companies

As a result of the Merger, Ferrovial SE is now also the direct shareholder of several Spanish entities through the Branch incorporated in Spain. The direct subsidiaries and the related movements throughout the year under review are disclosed below:

(Million euro)	Balance at January 1, 2023	Capital contribution (+) /reduction (-)	Dividends	Share in results of participating interests	Derivatives Impact	Exchange differences	Other direct equity movements of participating interests	Balance at December 31, 2023
Ferrovial Construction International SE	286	–	–	133	(2)	9	–	426
Cintra Global SE	3,883	–	–	199	(10)	(39)	(2)	4,030
Cintra Infraestructuras SE	3,262	–	–	105	37	(53)	39	3,389
Ferrovial Airports International SE	293	–	–	(2)	(3)	2	(7)	284
Ferrovial Netherlands B.V.	516	103	–	3	–	4	(519)	107
Ferrovial Ventures Netherlands B.V.	12	–	–	–	–	–	–	11
Ferrovial Transco International B.V.	119	4	–	3	1	(11)	2	118
Ferrovial EG SE	51	–	–	9	–	(2)	4	62
Ferrovial Ventures Ltd.	12	–	–	–	–	–	–	12
Ferrovial Services Netherlands B.V.	14	–	–	7	–	(1)	–	21
Thalia Waste Treatment B.V.	16	1	–	(10)	(1)	–	20	26
Ferrovial Inversiones, S.A.	69	–	–	2	–	–	–	70
Ferrovial Construccion, S.A.	570	–	–	14	(1)	–	20	603
Ferrovial Aeropuertos España, S.A.	43	–	–	(15)	–	–	–	28
Ferrovial 001, S.A.	1	–	(1)	–	–	–	–	–
Ferrovial Infraestructuras Energéticas, S.A.U.	19	–	–	(5)	–	–	–	14
Cintra Infraestructuras España S.L.	543	–	(416)	21	(4)	(1)	(9)	134
Ferrofin S.L.	488	–	(433)	16	–	13	(13)	71
Ferrovial Corporación, S.L.	10	–	–	4	–	–	–	14
Temaury, S.L.	7	–	–	(2)	–	–	–	5
Krypton RE S.A.	17	–	–	1	–	–	–	18
Ferrovial Mobility S.L.	22	–	–	(7)	–	–	–	15
Landmille, Ltd. - GBP	107	(102)	–	1	–	1	–	7
Ferrovial 004, S.L.U	27	–	–	11	(1)	–	1	37
Ferrovial Ventures, S.A.U.	15	–	–	1	–	–	–	16
Others	1	7	–	–	1	–	(2)	7
<b>Total</b>	<b>10,401</b>	<b>13</b>	<b>(850)</b>	<b>489</b>	<b>17</b>	<b>(79)</b>	<b>(466)</b>	<b>9,525</b>

### Ferrovial Netherlands B.V.

On December 14, 2023 the Company made a share premium contribution to Ferrovial Netherlands B.V. this subsidiary amounting EUR 103 million which was paid in cash on the same date.

The impact on 'Other direct equity movements' is mainly due to the cancellation of the hybrid bond. Through this subsidiary, the Group completed a subordinated perpetual bond issue in 2017 for a nominal amount of EUR 500 million, accruing an annual coupon of 2.124% to the first recalculation date (May 2023), which was guaranteed by Ferrovial SE (formerly named Ferrovial, S.A.). In February 2023, the Company committed to repurchase its subordinated hybrid bond. As of June 2023, the company obtained acceptance of 94.28% of the amount of the issuance to which the offer was directed and executed the full cancellation in August 2023.

### Landmille, Ltd.

This subsidiary made a capital refund of GBP 89.5 million, equivalent to EUR 102 million, on January 17, 2023.

### Cintra Infraestructuras España S.L.

This subsidiary made a dividend distribution of EUR 416 million to the Company on December 22, 2023. This dividend was distributed in kind consisting of a receivable from Ferrofin, S.L. in the aggregate amount of EUR 416 million under the current account agreement entered into on February 28, 2018 between Ferrofin, S.L. and Cintra Infraestructuras España, S.L..

## Ferrofin, S.L.

On December 19, 2023, Ferrofin, S.L. approved an in-kind capital refund to its shareholders amounting EUR 433 million of which the Spanish Branch received EUR 208 million since it is the direct shareholder of 47.986% of the shares, and Ferrovia Construcción S.A. received the amount of EUR 225 million for the remaining 52.014% stake. The payment entailed transferring credit rights under a loan agreement between Ferrofin, S.L., as lender, and Ferrovia SE, as borrower, dated November 30, 2017. The impact on 'Other direct equity movements' includes the capital refund indirectly to Ferrovia SE through the subsidiary Ferrovia Construcción S.A. in the amount of EUR 225 million.

The movements for the previous year were as follows:

(Million euro)	Balance at January 1, 2022	Capital contribution (+) /reduction (-)	Dividends	Share in results of participating interests	Derivatives Impact	Exchange differences	Disposal/ Liquidity	Other direct equity movements of participating interests	Balance at December 31, 2022 (*)
Ferrovia Construction International SE	273		(48)	70	(4)	2	–	(8)	286
Cintra Global SE	3,296	369	–	106	94	(1)	–	18	3,883
Cintra Infraestructuras SE	2,585	947	(217)	13	28	38	–	(132)	3,262
Ferrovia Airports International SE	134	153	–	21	5	(4)	–	(15)	293
Ferrovia Netherlands B.V.	514	–	–	10	–	–	–	(8)	516
Ferrovia Ventures Netherlands B.V.	12	–	–	–	–	1	–	–	12
Ferrovia Transco International B.V.	72	2	–	(5)	44	6	–	(1)	119
Ferrovia EG SE	29	–	–	3	–	(4)	–	22	51
Ferrovia Ventures Ltd.	16	–	–	(5)	–	1	–	–	12
Ferrovia Servicios, S.A.U.	186	–	–	–	–	–	(186)	–	–
Acadia Servicios de Medioambiente, S.L.	1,044	(204)	(831)	(9)	–	–	–	–	–
Ferrovia Services Netherlands B.V.	1	–	–	87	–	(1)	–	(73)	14
Thalia Waste Treatment B.V.	80	–	–	10	10	(7)	–	(77)	16
Ferrovia Inversiones, S.A.	68	–	–	1	–	–	–	–	69
Can-am, S.A.	(6)	–	–	–	–	–	6	–	–
Ferrovia Construcción, S.A.	529	–	–	22	4	1	–	13	570
Ferrovia Aeropuertos España, S.A.	9	48	–	(14)	–	–	–	–	43
Ferrovia 001, S.A.	1	–	–	–	–	–	–	–	1
Ferrovia Infraestructuras Energéticas, S.A.U.	11	10	–	(2)	–	–	–	–	19
Cintra Infraestructuras España S.L.	598	(30)	–	7	3	–	–	(35)	543
Ferrofin S.L.	260	–	–	3	1	19	–	205	488
Ferrovia Corporación, S.L.	10	–	–	(1)	–	–	–	–	10
Temauri, S.L.	9	–	–	(2)	–	–	–	–	7
Krypton RE S.A.	15	–	–	2	–	–	–	–	17
Ferrovia Mobility S.L.	10	24	–	(11)	–	–	–	–	22
Landmille, Ltd.	7	–	(3)	(11)	–	(4)	–	118	107
Ferrovia 004, S.L.U	–	17	–	6	3	–	–	–	27
Ferrovia Ventures, S.A.U.	–	15	–	–	–	–	–	–	15
Others	–	–	–	–	–	–	–	1	1
<b>Total</b>	<b>9,763</b>	<b>1,352</b>	<b>(1,099)</b>	<b>302</b>	<b>186</b>	<b>48</b>	<b>(179)</b>	<b>29</b>	<b>10,401</b>

(\*) The comparative figures have been adjusted due to the cross-border merger transaction and the change in accounting policies. Please refer to the 'Merger' note for the related disclosures.

Appendix II includes data on the companies listed here.

### 1.1.2 Other investments in participating interests

This balance of EUR 2 million (2022: EUR 2 million) includes financial assets at fair value through other comprehensive income (OCI). It relates essentially to the 0.4% ownership interest in the company Lillium, which was acquired on September 8, 2021 for USD 15 million (EUR 13 million). This company's shares are listed on the Nasdaq Stock Exchange. The value of the interest reflects the number of shares (1.5 million) multiplied by the quoted price at December 31, 2023 which is USD 1.18 (2022: USD 1.14), which is equivalent to EUR 1.6 million at the year-end exchange rate of 1.1039 (2022: 1.0705 EUR/USD).

The change in the fair value of the shares has a balancing item in equity, entailing a net impact of EUR 0.04 million in 2023 (2022: EUR -6 million).

### 1.1.3 Receivables from associates

The amount receivable of EUR 18.6 million (2022: EUR 11.3 million) relates to the disposal of the Ferrovial Services businesses in Spain, mainly derived from the earn-outs resulting from the transaction.

### 1.1.4 Non-current deferred tax assets

Movements in non-current deferred tax assets were as follows:

(Million euro)	Non-current deferred tax assets
<b>Closing balance December 31, 2021</b>	<b>6</b>
Tax Credits Dutch Tax Group	18
Deferred taxation charged to the revaluation reserves	2
<b>Balance at January 1, 2023</b>	<b>26</b>
Tax Credits Dutch Tax Group	-18
Tax Credits Spanish Tax Group	63
Non-tax-deductible accounting provision	2
<b>Balance at December 31, 2023</b>	<b>73</b>

Non-current deferred tax assets included in the Company balance sheet and related deferred tax charges or credits in the Company income statement can be broken down as follows:

(Million euro)	Balance sheet		Income statement	
	Balance at 31/12/2023	Balance at 31/12/2022	2023	2022
Temporary differences for set-off	7	4	2	—
Tax credits and carryforward losses	63	18	45	14
Others	3	3	—	—
<b>Total</b>	<b>73</b>	<b>26</b>	<b>47</b>	<b>14</b>

### Tax credits

Deferred tax assets in the long term are recognized only to the extent that realization is probable. Tax credits considered by the Company are expected to be used in the long-term based on the projections made. A model was designed with the aim of assessing the recoverability of tax-loss carryforwards, based on the Group companies' latest available earnings projections.

The total balance recognized was EUR 63 million, of which EUR 36 million relates to tax credits for tax-loss carryforwards and EUR 27 million to other tax credits, both to be used by the Spanish Tax Group headed by the Branch. No tax credits are recognized for the tax group in the Netherlands.

The total balance of EUR 18 million at December 31, 2022, related to tax credits regarding tax-loss carryforwards coming from Dutch tax group being the Company the head of the Dutch Fiscal Unity. The analysis for the year under review conclude that the recoverability is not probable, and therefore the total amount of tax credits amounting EUR 18 million were written off given the reasonable doubts regarding recovery in the short and medium term.

## Non-tax-deductible provisions

Non-tax-deductible accounting provisions of EUR 7 million (2022: EUR 4 million) results in temporary differences to be recoverable in the next following years.

## Others

The deferred asset balance for EUR 3 million (2022: EUR 3 million) mainly relates to fair value adjustment losses accumulated which will have a tax effect when they are recognized to the income statement. They relate mostly to deferred tax assets arising from financial derivatives.

### - Spanish and Netherlands taxes consolidated groups

The Company is tax resident in The Netherlands as of 15 December 2018. Since then, the Company is subject to Corporate Income Tax in The Netherlands on a consolidation tax regime. The Company is the head of Ferrovial's Dutch Fiscal Unity.

Ferrovial SA, the disappearing entity in the merger taking place in 2023, was tax resident in Spain and has filed consolidated tax returns in Spain since 2002. In 2014, the Company availed itself of the tax scheme provided by Articles 107 and 108 of Corporate Income Tax Act 27 of 27 November 2014 (CIT Act). Given that the implementation of the said scheme affects the tax treatment of potential dividends or capital gains obtained by Company shareholders, a note describing the tax treatment applicable to shareholders is attached as Appendix I to these annual accounts, as well as information on tax results obtained by Ferrovial S.A., with which the shareholders must be familiar in order for the scheme to be applied.

### - The fiscal unity dispute

There is a dispute with the Dutch tax authorities regarding the fiscal unity existence for 2019 and the first two months of 2020 due to a restructuring abroad. Currently and according to the tax authorities, the group ceased to exist and became a stand-alone taxpayer for that period. No provision has been recorded in relation to this litigation since the possibility of an economic outflow is considered remote. Taxes are settled within this fiscal unity as if each company were an independent taxable entity.

There was a subsidiary request made to the Dutch Tax Authorities to ensure the existence of the fiscal unity as of March 1, 2020.

## 1.1.5 Other non-current receivables

Other non-current receivables for EUR 20 million (2022: EUR 13 million) mainly correspond to long-term derivatives.

### - Long-term derivatives

Other non-current receivables include derivatives having a fair value of EUR 20 million (2022: EUR 12 million), corresponding to equity swaps and interest swaps.

Regarding derivatives, the other non-current liabilities of EUR (13) million (2022: EUR (5) million), mainly relates to cross-currency swaps and are also explained in this note.

The following tables show the breakdowns of derivatives and the corresponding fair values at December 31, 2023 and December 31, 2022, including the notional maturities, and the total breakdown per financial instrument together with the cash flow maturities for the same periods:

(Million euro)	FAIR VALUE							NOTIONAL MATURITIES
	Balance at 31/12/2023	Balance at 31/12/2022	2024	2025	2026	2027	2028 and beyond	TOTAL
Equity swaps	20	2	73	–	–	–	–	73
Interest rate swaps	–	10	–	–	–	–	–	–
<b>Total asset balance (non-current)</b>	<b>20</b>	<b>12</b>	<b>73</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>73</b>
Interest rate swaps	–	–	–	50	–	–	–	50
Cross-currency swaps	(13)	(5)	–	250	–	–	–	250
<b>Total liabilities balance (non-current)</b>	<b>(13)</b>	<b>(5)</b>	<b>–</b>	<b>300</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>300</b>
<b>Total derivatives</b>	<b>6</b>	<b>7</b>	<b>73</b>	<b>300</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>373</b>

(Million euro)	FAIR VALUE							CASH FLOW MATURITIES
	Balance at 31/12/2023	Balance at 31/12/2022	2024	2025	2026	2027	2028 and beyond	TOTAL
Equity swaps	20	2	20	–	–	–	–	20
Interest rate swaps	–	10	–	–	–	–	–	–
Cross-currency swaps	(13)	(5)	6	(20)	–	–	–	(13)
<b>Total derivatives</b>	<b>6</b>	<b>7</b>	<b>26</b>	<b>(19)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6</b>

The notional amounts listed in the tables above include all those outstanding as of December 31, 2023. Accordingly, the maturities are presented as a positive figures and future increases, the amount of which has already been arranged, are shown as a negative ones.

The Equity swaps have a maturity in the short term, however, are expected to be renewed upon maturity since the hedged item commented below is in the long term.

The overview below reflects hedge fair value changes from 2023 to 2022 and the effects of such changes on the balance sheet and income statement.

(Million euro)	BALANCE SHEET			other impacts		Income statement impacts		TOTAL
	Balance at 31/12/2023	Balance at 31/12/2022	Variation	Impact on reserves	Cash movement	Derivative result income (+)/ expense (0)	Financial income (+)/ expense (0)	
Equity swaps	20	2	17		(6)	25	(2)	17
Interest rate swaps	–	10	(10)	(11)	(11)	12	1	(10)
Cross-currency swaps	(13)	(5)	(9)	(1)	(6)	(7)	6	(9)
<b>Total financial instruments</b>	<b>6</b>	<b>7</b>	<b>(1)</b>	<b>(13)</b>	<b>(23)</b>	<b>30</b>	<b>4</b>	<b>(1)</b>

The variations are explained in the following paragraphs.

### Equity swaps

The Company has arranged equity swaps contracts for hedging the potential financial impact of the exercise of share-based remuneration schemes granted to employees. These equity swaps do not qualify for hedge accounting and the related gains or losses are recognized as derivative result in the income statement (see consolidated financial statements note 5.5.a).

The equity swaps hedge a given number of Ferrovia's shares at a reference share price. During the swap term, Ferrovia pays interest at a given interest rate (EURIBOR plus a spread to be applied to the result of multiplying the number of shares by the strike price) and receives remuneration equal to the dividend on those shares. Ferrovia receives the difference between the arithmetic mean of the share price during the observation period and the reference price, multiplied by the number of shares contracted if the share has appreciated at maturity. Otherwise, Ferrovia would pay this spread to the financial institution.

Fair value at December 31, 2023 amounted to EUR 20 million (2022: EUR 2 million). The change in value during the year for EUR 17 million was due to the increase in the Ferrovia share price up to 33.02 euro/share (2022: 24.47 euro/share). The remuneration and the finance costs derived from these instruments referred to above resulted in a net financial expense for the year under review of EUR 2 million (2022: EUR -2 million). The total impact of these instruments on cash resources amounted to EUR 10 million (2022: EUR 2 million).

At year-end 2023 these derivatives have a notional value equivalent to 2,796 thousand shares (2022: 2,755 thousand shares) which, based on the strike price of the equity swaps (price employed in the calculation for settlement with the financial institutions), amounts to EUR 73 million.

### Interest rate derivatives (IRS)

The Company contracted interest rate derivatives in 2023 which have a fair value of EUR 0.1 million and a notional amount of EUR 50 million at December 31, 2023. These derivatives hedge the interest rate risk of a highly probable future bond issuance with maturity in 2030 and accounted for as a cash flow hedge. This means that fair value changes in both the derivative and the hedged item (in this case, the bond) attributable to changes in the interest rate, are carried at fair value through other comprehensive income (OCI) in the amount of EUR 0.1 million.

Additionally, the Company had contracted interest rate derivatives to hedge bank debt which had notional amount of EUR 350 million and a fair value of EUR 10 million in the previous year. These IRS met the conditions for treatment as an accounting hedge of future cash flows regarding this borrowings. Therefore, the changes in the fair value of the IRS together to the changes in the bank borrowings attributable to changes in the interest rate, were carried at fair value through reserves. Since these derivatives were totally settled in 2023 given that the underlying loans hedged were totally repaid, the impact on equity of these derivatives were written off and transferred to the income statements accordingly for EUR 11 million.

In 2023, the total impact on reserves was EUR 11 million (2022: EUR 56 million) mainly for the canceled IRS, together with a cash impact of EUR 11 million (2022: EUR 21 million). These impacts result in a positive derivative results for EUR 12 million and a income result for EUR 1 million.

#### Cross-currency swaps (CCS)

The Company holds a liquidity facility for a maximum of EUR 900 million (2022: EUR 1,100 million), which may be drawn in EUR, CAD, GBP and USD. At December 31, 2023, USD 260 million had been utilized (Note 1.7). In order to cover possible interest rate and foreign exchange fluctuations affecting the amount drawn, the Company have cross-currency swaps contracts in place with maturity in 2025, for an agreed equivalent value of EUR 250 million (2022: EUR 250 million). The fair value as at December 2023, is a negative amount of EUR 13 million (2022: EUR -5 million).

Accordingly, foreign exchange fluctuations during the year have a negative impact of EUR 7 million (2022: positive EUR 14 million) recognised in the income statement as derivative result, offsetting changes in the value of the above-mentioned loan for a positive EUR 7 million. The payment throughout the year were EUR 6 million (2022: positive EUR 18 million) ('cash' column) and the financial income from financing of EUR 6 million (2022: EUR 5 million).

## 1.2. Other fixed assets

This balance includes includes mainly small equipments purchased which decrease as long as they are amortized and the right-of-use under IFRS 16.

#### Right-of-use assets recognized under IFRS 16

Non-current other receivables comprise an amount of EUR 4 million (2022: EUR 3 million) derived from the right-of-use assets recognized under IFRS 16 leases and the associated liabilities, as described in note 3.7 'Right of use assets and associated liabilities' of the consolidated statements.

IFRS 16 affects the Company's leases in which it is the lessee, having primarily lease agreements for long-term office buildings. More information is explained in detail in the consolidated financial statements.

## 1.3. Receivables

Receivables comprises the following:

(Million euro)	2023	2022
Current receivables from group companies	556	315
Receivables relating to income tax	68	59
Prepayments and accrued income	1	2
Other receivables	3	0
<b>Total receivables</b>	<b>629</b>	<b>377</b>

More details can be broken down in the following sub-notes.

#### 1.3 Current receivables from group companies

(Million euro)	Current receivables from group companies
<b>Carrying amount at January 1, 2023</b>	<b>315</b>
Deferred dividend settlement	(216)
Short term debt financing increase	410
Trade receivables from group companies	2
Corporate income tax liquidation receivables from group companies	38
Group company receivables for share remuneration scheme to employees	7
<b>Carrying amount at December 31, 2023</b>	<b>556</b>

– **Deferred dividend settlement**

On 28 November 2022, Ferrovial SE's direct subsidiary Cintra Infrastructures SE made an interim capital distribution in cash from its freely distributable reserves to Ferrovial SE in the amount of USD 225 million (EUR 216 million). This dividend was not immediately wire-transferred. In the course of 2023 any (remaining) amounts owed by Cintra Infrastructures to FSE as a result of the capital distribution were settled in full.

– **Short term debt due from group companies**

The short-term debt owed by group entities to Ferrovial SE comprise loans and current account positions which accrue an interest rate similar to those of the market and will become due and payable within twelve months. The more relevant short term loans from Ferrovial SE's subsidiaries to Ferrovial SE are reflected in the overview below:

(Million euro)	2023	2022
Ferrofin S.L.	408	1
Ferrovial Netherlands BV	3	27
Cintra Servicios de Infraestructuras S.A.	22	–
Ferrovial Airports FMM B.V.	–	10
Cintra Infrastructures SE	–	19
Cintra Infraestructuras España S.A.	31	–
Cintra Inversiones S.L.	2	–
Budimex	3	3
Other receivables	3	2
<b>Total short term debt due from group companies</b>	<b>472</b>	<b>62</b>

The increase against previous year is mainly a receivable to Ferrofin S.L following internal dividends transactions withing the group.

The Company has current account arrangements in place to fund operational payments and to facilitate collections of intra-group debt. Interest over intra-group current account positions accrues at market rates.

– **Group Companies trade receivables**

The Company has trade receivables mainly related to services provided and guarantee fees charged to group companies. The main disclosures of short-term trade receivables are shown in the following table:

(Million euro)	2023	2022
Ferrovial Airports US Terminal One LLC	6	4
Ferrovial Holding US Corp	4	3
Acadia Servicios de Medioambiente SLU	–	1
Others	3	3
<b>Total Group Companies trade receivables</b>	<b>12</b>	<b>10</b>

These receivables will become due and payable within twelve months.

## 1.4 Cash

All cash reflected in the overview below is at the Company's free disposal.

(Million euro)	2023	2022
<b>Total cash</b>	<b>107</b>	<b>114</b>



## 1.5. Shareholder's equity

Equity and net result according to the separate financial statements are not identical to the corresponding figures in the consolidated financial statements. The reconciliation between the two financial statements is as follows:

(Million euro)	Shareholder's equity		Income statement	
	Balance at 31/12/2023	Balance at 31/12/2022	2023	2022
Separate financial statements	4,102	4,457	428	315
Group companies with equity deficit	(336)	(344)	26	(93)
Others	–	–	6	(36)
<b>Consolidated financial statements</b>	<b>3,766</b>	<b>4,113</b>	<b>460</b>	<b>185</b>

### Income statement variations

Group companies with equity deficit. The impact of EUR 26 million corresponds to the losses from infrastructure projects with negative equity not recognized through the income statement in the separate financial statements. They have reduced its investment to zero, to the extent that the Company neither is liable for all or partially the debts of the participating interest nor it has a constructive obligation to enable the participating interest to repay its debt.

Other movements. Derived from intercompany transactions in non-EUR currency which are included in OCI in the consolidated accounts and in the income statement in separate accounts.

The movements in equity are shown below:

(Million euro)	Issued and paid-up capital	Share Premium	Other reserve	Unappropriated profits	Revaluation reserve	Other legal reserves	Total
<b>Closing balance 2021 (*)</b>	<b>743</b>	<b>6,414</b>	<b>(3,455)</b>	<b>1,241</b>	<b>10</b>	<b>(532)</b>	<b>4,421</b>
Shareholder contribution	–	1,470	(1,470)	–	–	–	–
Script dividend/other dividends	–	–	(132)	–	–	–	(132)
Treasury share transactions	–	–	(446)	–	–	–	(446)
<b>Shareholder remuneration</b>	–	–	<b>(578)</b>	–	–	–	<b>(578)</b>
Income and expense recognized directly in equity	–	–	46	–	37	234	317
Transfers to income statement	–	–	177	–	(46)	–	131
<b>Total income and expenses recognized for the year</b>	–	–	<b>223</b>	–	<b>(9)</b>	<b>234</b>	<b>448</b>
Result of the year	–	–	–	315	–	–	315
Result appropriation	–	–	1,241	(1,241)	–	–	–
Other transactions	–	–	(149)	–	–	–	(149)
<b>Closing balance 2022 (*)</b>	<b>743</b>	<b>7,884</b>	<b>(4,188)</b>	<b>315</b>	<b>1</b>	<b>(298)</b>	<b>4,457</b>
Capital reduction	(736)	736	–	–	–	–	–
Merger adjustment	–	(4,194)	4,194	–	–	–	–
Script dividend/other dividends	–	(58)	(78)	–	–	–	(136)
Treasury share transactions	–	(52)	(62)	–	–	–	(114)
<b>Shareholder remuneration</b>	–	<b>(110)</b>	<b>(140)</b>	–	–	–	<b>(250)</b>
Income and expense recognized directly in equity	–	–	(2)	–	(1)	(62)	(65)
Transfers to income statement	–	–	6	–	(9)	–	(3)
<b>Total income and expenses recognized for the year</b>	–	–	<b>4</b>	–	<b>(10)</b>	<b>(62)</b>	<b>(68)</b>
Result of the year	–	–	–	428	–	–	428
Result appropriation	–	–	315	(315)	–	–	–
Perpetual subordinated bond issuances	–	–	(513)	–	–	–	(513)
Share-based remuneration schemes	–	–	12	–	–	–	12
Other transactions	–	–	36	–	–	–	36
<b>Closing balance December 31, 2023</b>	<b>7</b>	<b>4,316</b>	<b>(280)</b>	<b>428</b>	<b>(9)</b>	<b>(360)</b>	<b>4,102</b>

(\*) The comparative figures have been adjusted due to the cross-border merger transaction and the change in accounting policies. Please refer to the 'Merger' note for the related disclosures.

Information about the shareholder remuneration and other movements is disclosed in the consolidated financial statements in 5.1.1 Changes in equity.

### Share capital

On December 31, 2023, Ferrovial SE had an issued and outstanding share capital of EUR 7,406,883.65 consisting of 740,688,365 ordinary shares with a nominal value of 0.01 euro each. All shares have been fully paid up.

FSE's authorized share capital amounts to 30 million euro, consisting of 3,000 million ordinary shares with a nominal value of 0.01 euro each.

No amortization of shares have occurred within 2023 related to the buyback program announced on November 30, 2023, consisting of the purchase by Ferrovial of its own shares for their subsequent amortization, with duration till May 1, 2024.

On December 31, 2022, Ferrovial SE had an issued and outstanding share capital of 742,877,070 euro consisting of 742,877,070 ordinary shares with a nominal value of 1 euro each. The entire issued and outstanding share capital was held by the Group's former ultimate parent company Ferrovial, S.A., and all these shares were fully paid-up.

### Share Premium

On December 31, 2023, Ferrovial SE's share premium reserve amounted to EUR 4,316 million. The movements throughout the year under review are related to the merger for (i) the new share capital approved which implied a reduction of share capital against share premium for EUR 736 million and (ii) the incorporation of the remaining equity of Ferrovial S.A. against share premium for EUR 4,193 million.

### Other reserve

The other reserve includes retained earnings, shares for the remuneration scheme for employees and treasury shares. The company held 3.9 million treasury shares and treasury depository receipts for shares, totaling EUR 113,912,960 at the balance sheet date.

The movements in treasury shares are explained in details in the consolidated financial statements (note 5.1.2). The market value of the treasury shares held by Ferrovial on December 2023, 31 of 4,759,310 shares (2022: 1,168,290 shares) was EUR 157 million (2022: EUR 29 million).

### Revaluation reserve

The revaluation reserve amounts EUR -9 million (2022: EUR 1 million) and it is a legal reserve. The revaluation reserves arise from the movements in the value of derivatives used as part of cash flow hedging that are recognized directly within the revaluation reserve. The movements for the year 2023 are detailed in the derivative movement in the Impact on reserves explained in note 1.1.5. related to derivatives and taking into account the tax impact.

### Other legal reserve

The legal reserve comprises the exchange rate differences that arise by translation of the net investments and result from the participation's currency into the currency in which the legal entity's financial statements are prepared (EUR).

(Million euro)	Derivatives Impact	Translation of net investments	Total Other legal reserves
<b>Closing balance December 31, 2021</b>	<b>-139</b>	<b>-393</b>	<b>-532</b>
Translation to legal reserve for exchange differences	186	48	234
<b>Closing balance December 31, 2022</b>	<b>47</b>	<b>-345</b>	<b>-298</b>
Translation to legal reserve for exchange differences	17	-79	-62
<b>Closing balance December 31, 2023</b>	<b>64</b>	<b>-424</b>	<b>-360</b>

## 1.6. Provisions

(Million euro)	2023	2022
Provision for liability for participating interests	20	31
Provision for taxes	65	184
Provision for deferred taxation	–	3
Other provisions	4	1
<b>Total</b>	<b>90</b>	<b>220</b>

### Provision for liability for participating interests

A long-term provision is related to the participating interest in Ferrovial Emisiones, S.A. whose value under the net asset value method has become nil as the net asset value remains negative. A provision is carried at the expected amount payable.

The movements related to the participating interest in Ferrovial Emisiones, S.A. can be explained as follows:

(Million euro)	Balance at January 1, 2023	Capital contribution (+)/reduction (-)	Provision increase	Other movements	Balance at December 31, 2023
<b>Ferrovial Emisiones, S.A.</b>	<b>-31</b>	<b>13</b>	<b>-8</b>	<b>6</b>	<b>-20</b>

(Million euro)	Balance at January 1, 2022	Capital contribution (+)/reduction (-)	Provision increase	Other movements	Balance at December 31, 2022 (*)
<b>Ferrovial Emisiones, S.A.</b>	<b>-30</b>		<b>-8</b>	<b>7</b>	<b>-31</b>

(\*) The comparative figures have been adjusted due to the cross-border merger transaction and the change in accounting policies. Please refer to the 'Merger' note for the related disclosures.

The provision increase for EUR 8 million (2022: EUR 8 million) is due to the losses registered for the year 2023 and 2022 respectively.

The balance included in 'Other movements' corresponds to the transfer from equity to the income statement of cash flow hedges in the subsidiary.

### Provision for taxes

(Million euro)	Provision
<b>Carrying amount at January 1, 2023</b>	<b>184</b>
Releases	(121)
Additions	2
<b>Carrying amount at December 31, 2023</b>	<b>65</b>

The provisions of EUR 65 million (2022: EUR 184 million in 2022) comprises the following:

- Provision for tax assessments raised by the Spanish tax authorities in relation to 2006 corporate income tax in the amount of EUR 121 million included in 2022. The provision resulted from the application of a deduction for export activities in 2006 which was in dispute with the Spanish Tax authorities. On September 12, 2023, the Supreme Court gave a judgment in favor of Ferrovial regarding the resolution arising from the tax audit for 2006 Spanish Corporate Income Tax. The ruling definitively resolves the dispute and declares the tax audit null and void, therefore the provision has been released in 2023 for EUR 121 million, and was consistently recognized through the income statement for EUR 43 million in the financial income associated to late payment interests, EUR 69 million in the corporate income tax and EUR 9 million recognized tax receivables.
- Provision for tax assessments raised by the Spanish tax authorities in respect of corporate income tax for the financial years 2002 to 2005 in the amount of EUR 32 million (2022: EUR 31 million).
- Provision for tax assessments raised by the Spanish tax authorities in respect of corporate income tax for the financial years 2012 to 2014 in the amount of EUR 17 (2022: EUR 17 million).

• Provision for tax assessments raised by the Spanish tax authorities in respect of VAT income tax for the financial years 2003 to 2005 in the amount of EUR 7 (2022: EUR 7 million).

#### Other provisions

Provision regarding possible claims related to favourable litigation estimated in EUR 3 million in 2023.

## 1.7 Non-current liabilities

Movements in the non-current liabilities were as follows:

<b>Non-current liabilities</b>						
(Million euro)	Non-current debentures and bonds	Non-current payables to credit institutions	Non-current payables to group companies	Derivatives long-term	Non-current others liabilities	Total
<b>Carrying amount at January 1, 2023</b>	–	802	2,633	5	2	3,442
New financing	500	–	2,699	–	–	3,199
Repayments	–	(500)	(645)	6	–	(1,139)
Interests/amortization	(5)	1	50	–	–	46
Exchange differences	–	(7)	–	–	–	(7)
Short-term reclassification	–	–	(312)	–	–	(312)
Others	–	–	–	2	12	14
<b>Carrying amount at December 31, 2023</b>	<b>495</b>	<b>296</b>	<b>4,425</b>	<b>13</b>	<b>14</b>	<b>5,243</b>
<b>Of which:</b>						
<b>term &lt; 1 year</b>	<b>7</b>	<b>(15)</b>	<b>(101)</b>	<b>6</b>		
<b>term &gt;= 1 year and &lt;=5 year</b>	<b>103</b>	<b>(306)</b>	<b>(5,109)</b>	<b>(20)</b>		
<b>term &gt; 5 year</b>	<b>544</b>					

Non-current liabilities with a remaining term of less than one year, including repayment commitments for the next year, are accounted for under current liabilities.

For details of these liabilities, please refer to the following notes.

#### Non-current bonds

Non-current bonds include a sustainability-linked bond amounting to EUR 500 million issued in September 10, 2023, with an interest rate of 4.375%, and maturity date on 13 September 2030. The issue price is 99.587%. The bonds were fully subscribed and paid up by investors on that date and admitted to trading in the regulated market of the Irish Stock Exchange.

#### Non-current payables to credit institutions

Non-current payables to credit institutions include the following:

- A syndicated liquidity facility with a limit of EUR 900 million, which included sustainability criteria and can be drawdown in different currencies (EUR, CAD, GBP and USD). The facility was refinanced in July 2018 and has its current maturity date in July 2025. The drawdown amount of this facility on December 31, 2023, was USD 260 million (2022: USD 260 million), with a carrying amount of EUR 236 million (2022: EUR 245 million). The exchange rate and interest rate risks of this drawdown have been hedged by means of cross currency swaps with notional amount EUR 250 million, the fair value of which amounts to EUR -13 million (2022: EUR -5 million).
- One loan of EUR 60 million (2022: six loans totaling EUR 560 million) entered into on November 30, 2020, and maturity date on November 30, 2027. It bears interests at 0.425% rate.
- The remaining five loans which were outstanding in 2022, were totally paid in September 2023, after Ferrovial SE's bond issuance in the same period.

## Non-current payables to group companies

Non-current payables to group companies are EUR 4,425 (2022: EUR 2,633) and comprises the following:

(Million euro)	2023	2022	Var
Ferrovial Emisiones, S.A.	1,276	1,575	-299
Ferrofin, S.L.	2,153	1,031	1,121
Ferrovial Netherlands BV	967	0	967
Ferrovial Construcción, S.A.	22		22
Krypton RE, S.A.		20	-20
Ferrovial Aravia, S.A.	8	7	0
<b>TOTAL LONG-TERM LOANS</b>	<b>4,425</b>	<b>2,633</b>	<b>1,792</b>

- Intercompany loan of EUR 1,276 million (2022: EUR 1,575 million) with the subsidiary Ferrovial Emisiones S.A., received through the issuance of corporate bonds in 2020, EUR 780 million of which, accruing an annual coupon of 1.382%, matures in 2026; and EUR 500 million, at an annual coupon of 0.54%, matures in 2028. These funds were transferred to Ferrovial SE (formerly named Ferrovial S.A.) on the same terms as the bonds issued by this subsidiary. The variation against 2022 is due to the loan for EUR 299 million related to the funds obtained by the corporate bond issued on 15 July 2014, with a fixed interest rate of 2.5% and maturing in 2024, which were reclassified from to short term.
- Intercompany credit line arranged with the subsidiary Ferrofin, S.L. on 30 November 2017 for a limit of up to EUR 3,000 million, maturing on 31 December 2025. The balance drawn down at December 31, 2023 amounted to EUR 2,153 (2022: EUR 2022: 1,031 million). ). The increase is due to the conversion of the short-term current account balance into this loan term credit line. The interest rate is 4.12% at year-end.
- Intercompany credit line payable to Ferrovial Netherlands B.V. entered into on December 20, 2023 with maturity on December 20, 2026. The outstanding balance as 2023-year end was EUR 967 million and bears interests at a fixed rate of 3.65%.
- Intercompany credit line payable to Ferrovial Construcción S.A. entered into on December 19, 2023 with maturity on December 31, 2025. The outstanding balance as 2023-year end was EUR 22 million and bears interests at a fixed rate of 4.12%.
- Intercompany loan of EUR 20 million from the subsidiary Krypton RE, S.A., accruing fixed interest at an annual rate of 0.15% and maturing in 2024, was reclassified to short term accordingly.

## Non-current derivatives

Non-current liabilities include derivatives of EUR 13 (2022: EUR 5). Please refer to Note '1.1.5 Other non-current receivables' for further details.

## Non-current other liabilities

Non-current liabilities include claims assumed as part of the subsidiary liquidation process in 2023 of the subsidiary Acadia Servicios de Medioambiente, S.L.U. for EUR 10 million.

Additionally, it includes the liabilities associated to IFRS 16 which are mainly lease agreements for buildings relating mainly to long-term office leases for EUR 4 million.

# 1.8 Current liabilities

The remaining term of the current liabilities is less than one year. The total current liabilities and payables to group companies are specified as follows:

(Million euro)	2023	2022
Current payables to credit institutions	0	3
Debentures and bonds	504	696
Amounts due to group companies	385	2,111
Payables relating to income tax	25	5
Accrued liabilities	12	1
Current trade payables	1	0
Current other liabilities	15	12
<b>Total current liabilities</b>	<b>943</b>	<b>2,827</b>

## Debentures and bonds

In the first quarter of 2018, Ferrovial SE (formerly named Ferrovial, S.A. prior to the merger with Ferrovial International SE) arranged an Euro Commercial Paper (ECP) program for a maximum amount of EUR 1,000 million, with maturities between 1 and 365 days as from the issue date, allowing further diversification of capital market funding and more efficient liquidity management. At the end of 2019, the maximum limit was increased up to EUR 1,500 million. This note issuance program has been renewed each year since 2018 until March 30, 2023, and admitted to trading on the regulated market of Euronext Dublin.

From March 30, 2023, ECP notes were issued due within twelve months under a new EUR 1,500 million Sustainability Target Euro-commercial paper program admitted to trading on the regulated market of Euronext Dublin. All the issued notes from this program have maturity through the year under review and therefore this program was finalized in 2023. Additionally, a new EUR1,500 million Sustainability Target STEP label compliant Euro-commercial paper program was registered on July 31, 2023.

On December 31, 2023 the total outstanding amount (under the new EUR 1,500 million Sustainability Target STEP label compliant ECP program) was EUR 500 million nominal value, being the carrying value EUR 498 million. As at December 31, 2022, notes amounting to EUR 696 million were drawn down (under the ECP program issued in 2022 for a maximum of EUR1,500 million registered on the regulated market of Euronext Dublin).

There is only one payment at maturity for each note which are issued at discount. The notes with maturity in 2023 were issued at an average rate of 3.13% (2022: 0.47%). Regarding the notes outstanding as of December 31, 2023 the average cost were 4.09% (2022: 1.82%).

Current liabilities also include the accrued payment of the coupon of the bond included in non-current liabilities for EUR 7 million.

## Current debts to other group companies

The group companies' debt comprises the following:

(Million euro)	2023	2022
Debt payable to subsidiaries	337	2,089
Trade payables to other group companies	11	0
Corporate income tax liquidation debts	37	22
<b>Amounts due to group companies</b>	<b>385</b>	<b>2,111</b>

Current payables to other legal entities and companies with a participating interest in the legal entity include an amount of EUR 385 million (2022: EUR 2,111 million).

The debt related to the corporate income tax liquidation arises from the fact that Ferrovial SE and Ferrovial SE Spanish branch are the heads of the fiscal unity both in Spain and in the Netherlands tax group.

The debt payable to subsidiaries is detailed in the following table:

(Million euro)	2023	2022	Var.
Ferrovial Netherlands B.V.	0	507	-507
Ferrovial Services UK, Ltd.	11	11	0
Ferrovial Emisiones, S.A.	311	11	300
Krypton RE S.A.	12	0	12
<b>Short-term loan</b>	<b>334</b>	<b>529</b>	<b>-195</b>
Ferrovial Netherlands B.V.	1	0	1
Ferrovial Corporación, S.A.U.	1	0	1
Autopista Alcalá-O'Donnel S.A.	1	0	1
Ferrofin, S.L.	0	1,526	-1,526
407 Toronto Highway B.V.	0	27	-27
Hubco Netherlands B.V.	0	3	-3
Cintra Global SE	0	2	-2
Ferrovial Airports International SE	0	1	-1
Others	0	1	-1
<b>Group Companies - Current accounts</b>	<b>4</b>	<b>1,560</b>	<b>-1,556</b>
<b>Total Group Companies debt</b>	<b>337</b>	<b>2,089</b>	<b>-1,751</b>

The Company short-term significant movements can be explained as follows:

- The loan from Ferrovial Netherlands B.V. for EUR 507 million, was due following the issuance of the 500-million-euro hybrid bond on November 14, 2017 by this subsidiary and was lend to Ferrovial SE for general corporate purposes in a mirror loan. This bond was totally amortized and paid in 2023, so did this intercompany loan.

- The loan from Ferrovia Services UK, Ltd. with current maturity on June 30, 2024 after the renewal in 2023 and bears interests at a fixed rate of 5.30%.
- The intercompany debt from Ferrovia Emisiones S.A. for EUR 311 million relates to the funds lend by this subsidiary after its 300-million-euro bond issuance back on July 15, 2014, with a fixed interest rate of 2.5% and with maturity in 2024. The changes against previous years reflects the transfer of the loan from long to short term, as mentioned in non-current liabilities from group companies.
- The Intercompany loan of EUR 12 million from the subsidiary Krypton RE, S.A., accruing fixed interest at an annual rate of 0.15% and maturing in 2024.
- The short-term current account from Ferrofin, S.L. as at December 31, 2022 for EUR 1,526 million, derived from the Group's cash-pooling arrangement in 2022 and was converted into a drawdown of the credit line in place with the subsidiary Ferrofin, S.L. on 30 November 2017 with maturity in 2025. Accordingly, the amount was transferred into non-current liabilities.

#### Trade payables to other group companies

The Company records trade payables for services received mainly from Ferrovia Corporación, S.A.U. for EUR 11 million in 2023 (2022: nil).

#### Accrued liabilities

The accrued liabilities for EUR 12 million as at December 31, 2023 (2022: EUR 1 million) is related with payables fees from both group companies and suppliers for services rendered not billed by the end of the year. The increase mainly relates to costs incurred associated to the transfer of the headquarters to the Netherlands and merger costs.

## 2. Notes to the Company only Income Statement at December 31, 2023

### 2.1 Revenue

Ferrovia SE revenue comprises the amounts invoiced to group companies in relation to guarantees given as described in Note 4 and for services provided.

(Million euro)	2023	2022 (*)
Guarantee charges to group companies	12	8
Other income from group companies	16	30
Other	0	1
<b>Revenue</b>	<b>28</b>	<b>40</b>

(\*) The comparative figures have been adjusted due to the cross-border merger and the change in accounting policies. Refer to the note 'Merger' for the related disclosures.

The revenue breakdown by geographic area of the companies that the services are provided to is as follows:

(Million euro)	2023	2022
Spain	14	28
Netherlands	5	5
US	9	6
UK	0	1
Other	0	0
<b>Revenue</b>	<b>28</b>	<b>40</b>

### 2.2 Personnel expenses

The average number of employees during the year converted to full time equivalents was 9.8 in 2023 (2022: 5.2) in the Netherlands.

The average number of employees during the year converted to full time equivalents was 2.7 in 2023 (2022: 67) in Spain.

The total personnel costs were EUR 19 million (2022: EUR 30 million), including social security charges for EUR 0.05 million (2022: EUR 1 million). There were no pension charges.

## 2.3 Other operating expenses

The other operating expenses reached EUR 61 million in 2023 (2022: EUR 16 million), highlighting the costs incurred related to the merger transaction and services rendered by group companies.

(Million euro)	2023	2022
Travel expenses	-1	-2
Third-party expenses	-32	-7
Expenses charged from group companies	-17	-1
Other general expenses	-11	-6
<b>Revenue</b>	<b>-61</b>	<b>-16</b>

The third-party expenses for EUR 32 million (EUR 7 million) increased against previous year due to legal and financial advice related with the merger. The expenses charged from group companies for EUR 17 million (EUR 1 million) includes fees and costs incurred by entities in Spain to be charged to the parent. The other general expenses includes insurance premiums, rent cost and other general expenses.

## 2.4 Profit and loss on disposals of fixed assets

The results amounting EUR 18 million (2022: EUR 6 million) relates mainly to the update of the indemnities and earn-outs associated with the Services Business disposal in Spain and Portugal as well as other adjustments related to the Amey business divestment in the UK.

## 2.5 Financial income and expense

### Financial income

The financial income comprises the following:

(Million euro)	2023	2022
Interest income on loans to group companies	1	1
Interest on bank accounts	1	0
Other financial income	49	8
<b>Total financial income</b>	<b>51</b>	<b>9</b>

The main impact for the year under review was included in 'Other financial income' for the amount of EUR 43 million, related to the late payment interests associated to a provision release about the 2006 corporate income tax dispute with the Spanish Tax authorities which was resolved in favor of Ferrovial. Please, refer to Note 1.6 'Provision'.

### Financial expenses

The financial expenses includes borrowing costs related to intercompany financing, to payables to credit institutions, on issuance of bonds, charges on guarantees for expenses billed by banks and credit institutions, between others; and can be detailed as follows:

(Million euro)	2023	2022
Interest expense on loans from group companies	-123	-45
Losses on loans from group companies	0	0
Interest expense on debt issuance	-23	-4
Interest expense on credit institutions	-29	-11
Guarantee expense	-9	-7
Other financial expenses	-4	-4
<b>Total financial expense</b>	<b>-187</b>	<b>-70</b>



## 2.6 Income tax expense

The tax payable/receivable on the result in the consolidated income statement can be broken down as follows:

(Million euro)	2023	2022
Tax on the result for current financial year	-10	-23
Prior-year adjustments	-17	-9
Deferred tax assets/liabilities	45	14
Reversal of tax risks	69	47
Other	2	0
<b>Total income tax expense/income</b>	<b>89</b>	<b>29</b>

The change in deferred tax asset/liabilities for EUR 45 million includes the following impacts:

- For the purpose of assessing the recoverability of tax-loss carryforwards in Spain, a model was designed based on the Group companies' latest available earnings projections, which implied the recognition of future net operating losses and tax credits of EUR 63 million.
- Provision for net operating losses recognized from previous years in the Netherlands in the amount of EUR -18 million as will not be recovered in the future.

Please, refer to the deferred tax assets impacts on the income statements as shown in '1.1 Non-current deferred tax assets' Note.

The reversal of tax risks for EUR 69 million arises from finalized tax inspections relates to the Spanish Branch and are in accordance with prevailing Spanish legislation, by which taxes may not be deemed to be finally settled until the returns filed have been inspected by the tax authorities or the four-year limitation period has elapsed. The tax authorities have a period of ten years to verify and investigate tax-loss carryforwards and certain deductions pending offset. The result amounting up to EUR 69 million is related to the inspection finalized and settled which were fully provision. The approach that the tax authorities might adopt in relation to the years open to inspection could give rise to contingent tax liabilities which cannot be objectively quantified. It is considered that any possible material tax contingencies are adequately provisioned at the year end.

The prior year tax for EUR -17 million includes adjustment made within the Dutch group.

The reconciliation between the effective and applicable tax rates is as follows:

(Million euro)	2023	2022
<b>Profit/(loss) before tax</b>	<b>-150</b>	<b>-16</b>
Tax at corporation tax rate of 25.8%/25.0% in The Netherlands/Spain	37	2
Non-taxable income due to the use of tax-loss carryforwards	-5	0
95%-exempt dividends (Spain)	-3	-13
Non-deductible finance expense	-39	0
Recognition of previously unrecognized tax loss and credit carryforwards	63	0
Unrecognized tax loss and credit carryforwards	-18	0
Reversal of tax risks	69	47
Prior year tax	-17	-9
Others	3	2
<b>Total corporate income tax</b>	<b>89</b>	<b>29</b>
<b>Effective rate</b>	<b>59.1 %</b>	<b>185.2 %</b>

## 3. Audit fees

The costs of the Group for the external auditor charged to the financial year from Ernst & Young Accountants LLP was EUR 4 million.

(Million euro)	Ernst & Young Accountants LLP	Other EY	2023	Ernst & Young Accountants LLP	Other EY	2022
Recurrent	1	8	9	1	4	5
No recurrent	–	5	5	–	–	–
Fees for audit services	1	13	14	1	4	5
Others	–	1	1	–	1	1
<b>Total</b>	<b>1</b>	<b>14</b>	<b>15</b>	<b>1</b>	<b>5</b>	<b>6</b>

The fees stated above for the audit of the financial statements are based on the total fees for the audit of the 2023 financial statements, regardless of whether the procedures were already performed in 2023.

## 4. Commitments and contingencies not included in the balance sheet

### Guarantees

The Company's contingent liabilities include bank and other guarantees given to certain Group companies.

#### Guarantees given to third parties

The Company issues guarantees in favor of clients, partners in a project or banks which provide guarantee facilities, among others which secure obligations assumed under a contract by the guaranteed company, which is generally part of the Company's group. Therefore, the Company as a guarantor, assumes the responsibility for the payment or performance obligations of the Guaranteed Company by agreeing to compensate the beneficiary in the event of such non-payment or performance.

At the 2023 year-end, these guarantees amounted up to EUR 7,036 million (2022: EUR 6,845 million) and includes:

- Guarantees given in favor of Ferrovial Emisiones, S.A. covering corporate bond issues for a total nominal amount of EUR 2,080 million (2022: EUR 2,080 million). All bond issues completed by Ferrovial Emisiones S.A. are secured by Ferrovial SE (formerly named Ferrovial, S.A.). However, with regard to this transaction, Ferrovial records intercompany loans to Ferrovial Emisiones, S.A. in the long-term amounting to EUR 1,276 million (Note 1.7), and in the short term amounting to EUR 311 million (Note 1.8), which relate to the bond issuances completed in previous years.
- Guarantee given in favor of customers of other group companies in the Construction Division in the amount of EUR 4,652 million (2022: 3,974 million), which primarily relates to surety bonds.
- Guarantee given in favor of customers of other group companies in the Toll Road Division in the amount of EUR 9 million (2022: nil).

#### Bank Guarantees

In addition to the above, at 2023 year end the Company holds bank guarantees amounting to EUR 1,115 million (2022: EUR 1,495 million) under guarantee facilities, of which:

- EUR 788 million relates to equity contribution guarantee commitments made to its various subsidiaries (2022: EUR 1,051 million), mainly for the project New Terminal One JFK (US).
- EUR 250 million (2022: EUR 353 million) in financial guarantees mainly relating to tax proceedings.
- EUR 77 million (2022: EUR 92 million) in technical guarantees related to compliance with its non-financial obligations, such as participation in tenders, or project performance obligations.

#### Other guarantees

As part of the Services divestment process referred to under the discontinued operations section, the Company has provided the indemnities that are usual in this type of transactions. The best assessment thereof is already considered in the financial statements.

#### Fiscal Unity

The Company is jointly and severally liable for the tax liabilities in the fiscal unity both in the Netherlands and in Spain.

##### – Fiscal Unity in the Netherlands

The Company forms a fiscal unity since December 14, 2018 for corporate income tax purposes and is the head of the group since 2020. Therefore, the Company is liable for the tax liability of the fiscal unity in the Netherlands.

There is a dispute with the Dutch tax authorities regarding the fiscal unity existence for 2019 and the first two months of 2020 due to a restructuring abroad. Currently and according to the tax authorities, the group ceased to exist and became a stand-alone taxpayer for that period. No provision has been recorded in relation to this litigation since the possibility of an economic outflow is considered remote. The potential impact of regularization in the event that the Dutch tax authorities consider that all the Group's Dutch companies should be taxed under the individual scheme has been estimated at EUR 2.5 million (for 2019 and 2020). Taxes are settled within this fiscal unity as if each company were an independent taxable entity. There was a secondary request was made to the Dutch tax authorities to ensure the existence of the fiscal group as of March 1, 2020.

– **Fiscal Unity in the Spain**

The Spanish Branch is the head of the fiscal unity for corporate income tax purposes in the Netherlands. As a result, the Company is liable for the tax liability of the fiscal unity in Spain.

– **Litigation and other contingent liabilities**

Please refer to the consolidated account to more information regarding litigation and other contingent liabilities in note 6.5.

## 5. Remuneration of directors

The Company has a one-tier board system consisting of executive as well as non-executive board members.

The remuneration, including other benefits, of the current executive and non-executive directors charged to the legal entity in the financial year amounted to EUR 11 million (2022: EUR 10 million). The remuneration to former directors is nil since there were no changes in the composition neither in the year under review nor in the previous year.

The total amount of the remuneration of directors can be split into:

(Million euro)	2023	2022
Executive board members	9	8
Non-executive board members	2	2
<b>Total</b>	<b>11</b>	<b>10</b>

Please, refer to the Remuneration section in the Directors' report.

## 6. Events after the balance sheet date for the separate financial statements

The events occurred after the balance sheet date are detailed in the consolidated financial statements, note: 6.11.

## Board of Directors

Mr. Rafael del Pino y Calvo-Sotelo, Executive Director (Chairman)

Mr. Óscar Fanjul Martín, Non-Executive Director (Vice-Chairman)

Mr. Ignacio Madridejos Fernández, Executive Director (Chief Executive Officer)

Ms. María del Pino y Calvo-Sotelo, Non-Executive Director

Mr. José Fernando Sánchez-Junco Mans, Non-Executive Director

Mr. Philip Bowman, Non-Executive Director

Ms. Hanne Birgitte Breinbjerg Sørensen, Non-Executive Director

Mr. Bruno Di Leo, Non-Executive Director

Mr. Juan Hoyos Martínez de Irujo, Non-Executive Director (Lead Director)

Mr. Gonzalo Urquijo Fernández de Araoz, Non-Executive Director

Ms. Hildegard Wortmann, Non-Executive Director

Ms. Alicia Reyes Revuelta, Non-Executive Director

Amsterdam, 27 February 2024