

General information

ESRS 2 GENERAL DISCLOSURES

BP - 1: GENERAL BASIS FOR THE DEVELOPMENT OF THE SUSTAINABILITY STATEMENT.

1. Preparation and Scope of the Statement of Consolidated Non-Financial and Sustainability Information

The Statement of Consolidated Non-Financial and Sustainability Information (hereinafter: the report) has been prepared prepared considering the requirements for disclosure of non-financial information established by the following international regulations and standards:

- ESRS (standards): Defines sustainability reporting criteria to improve transparency and consistency of information on environmental, social and governance impacts.
- EU Directive 2014/95/EU on non-financial information implemented through the Dutch *Besluit bekendmaking niet-financiële informatie*
- Spanish Law 11/2018 on non-financial information and diversity.
- Regulation (EU) 2020/852 (Taxonomy Regulation): Includes data on eligibility in relation to the six environmental objectives, figures on alignment with climate objectives and qualitative information on accounting policies, regulatory compliance and context.

Ferrovial SE has engaged EY to provide limited assurance on this Statement of Consolidated Non-Financial and Sustainability Information taking into account the criteria above ESRS and Taxonomy.

The following guidance was also considered when preparing the report:

- Task Force on Climate-related Financial Disclosures (TCFD): Provides a framework of recommendations for disclosing risks and opportunities related to climate change, ensuring clarity and consistency for investors.
- Recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) including information related to governance, strategy, risk and impact management, and metrics of Ferrovial operations.
- Sustainability Accounting Standards Board (SASB): Provides industry-specific standards for managing and disclosing material sustainability issues

This integrated approach ensures that the information presented is in accordance with regulatory frameworks and international best practices in corporate sustainability.

2. Scope of Consolidation

In January 2024, a partial reorganization of the Business Units was approved whereby the Energy Solutions business line, which was part of the Construction Division, and the Energy Infrastructure business line, which was part of the Energy Infrastructure and Mobility Division, were merged. The resulting business unit is now called the Energy Division. The mobility business unit and the other service businesses, which until then were part of the Energy Infrastructures and Mobility Business Unit, are managed separately outside the scope of the divisions. The objective of this reorganization is to group all the activities of the Energy division into a single organizational unit with unified management to ensure alignment between activities and maximize the benefits derived from the synergies between them.

The report has been prepared following the financial consolidation perimeter, covering all companies in which Ferrovial exercises economic control with more than 50% of the share capital. In such cases, 100% of the corresponding information is included, ensuring an accurate and consistent representation of the Group's activities.

Ferrovial clarifies that, while Budimex S.A. is a subsidiary of Ferrovial Construction International SE and its information is fully integrated into the group's consolidated report, it is a Public Interest Entity (PIE) listed on the Warsaw Stock Exchange (WSE: BDX) and employs more than 500 individuals. As such, Budimex is subject to separate CSRD reporting requirements in Poland. Ferrovial acknowledges this obligation and ensures that Budimex complies with its independent disclosure requirements while maintaining alignment with the group's overarching sustainability framework and reporting practices.

In relation to the scope of consolidation, on April 4, 2024, the Private Investment Promotion Agency of Peru awarded the Anillo Vial Periférico Project in Lima to a consortium led by Cintra, with Acciona and Sacyr. The 30-year concession involves the construction and maintenance of a 35-kilometer ring road, with an investment of USD 3.4 billion. On May 1, 2024, 100% of Misae Solar IV, LLC, a photovoltaic solar energy project in Texas, was acquired for USD 14.8 million. On June 11, 2024, the sale of 5% of IRB Infrastructure Developers was completed for €215 million, resulting in €133 million in pre-tax capital gains for Ferrovial. On June 13, 2024, 23.99% of IRB Infrastructure Trust was acquired for €652 million. On June 28, 2024, the sale of the 24.78% stake in Serveo Group to the main shareholder, Portobello Capital, was completed for a pre-tax gain of €33 million. On February 29, 2024, an agreement was reached for the sale of 49% of the Class A shares and all Class B shares of Umbrella Roads BV, completing the sale on October 8, 2024 for €100 million. On November 13, 2024, an agreement was announced for the sale of Ferrovial's 50% interest in AGS to Avialliance UK Limited, valuing 100% of AGS at £900 million, completion of the sale is subject to the satisfaction of applicable regulatory approvals and is expected to close in the first quarter of 2025. On December 12, 2024, Ferrovial sold 19.75% of FGP Topco Ltd., the direct shareholder of Heathrow Airport, to Ardian and PIF for a capital gain of EUR 2,023 million. Ferrovial now holds a 5.25% stake, recognized as a non-current financial asset. The fair value of the remaining stake generated an additional positive impact of EUR 547 million. All these operations are consolidated by equity method hence it is not part of the Group's scope.

In 2024 regarding requirements of ESRS the scope of carbon footprint includes the entire financial consolidation perimeter in compliance with the exception of two joint operations that the Company executes in the UK, whose impact is not significant.

For more information on the list of entities included within the reporting perimeter, please refer to section in 6.11 **Appendices** of the Financial Statements, where the full list of entities is detailed.

Ferrovial Value Chain

3. Upstream:

- Procurement: All suppliers operate under corporate policies aligned with sustainability commitments. In addition, 96.8% of local purchases are made in developed markets such as the United States, Canada, the United Kingdom, Poland and Spain, guaranteeing quality and regulatory compliance.

4. Own operations:

- Execution: Includes construction projects where subcontractors comply with corporate policies, especially in occupational health and safety.
- Operation: Activities at airports and toll roads managed by Ferrovial also follow uniform safety and welfare indicators..

5. Downstream:

- Collaborations: Partners with whom Ferrovial develops joint projects, ensuring efficient and responsible management.
- Clients: Subject to corporate policies that promote sustainability and social responsibility.
- End users: Although they do not interact directly with the Company, they enjoy the quality, security and sustainability standards implemented in the managed infrastructure managed.

This model allows Ferrovial to maintain a high degree of control and compliance at all stages of its activity, in line with the highest standards of sustainability and corporate responsibility.

6. Sensitive Information and Innovation

Ferrovial may omit classified or sensitive information related to intellectual property or innovation results if it meets specific confidentiality and commercial value criteria. However, in this report, no omissions have been identified that affect the transparency or quality of the disclosures made. With regard to Health and Safety data, Ferrovial does not provide a breakdown by gender, as the Company's approach to workplace incidents is based on ensuring the highest safety standards for all employees, regardless of gender.

7. Event Disclosure Exemption

Ferrovial did not apply exemptions for disclosure of forward-looking or trading events, as permitted by Directive 2013/34/EU. Therefore, all information included is complete and not subject to such restrictions.

8. Data Management in the Value Chain

The following sections of the report detail how Ferrovial collects and manages data relevant to sustainability metrics throughout the upstream and downstream stages of its value chain. This approach ensures comprehensive coverage and transparent data management, from materials procurement to interaction with infrastructure end users.

Ferrovial recognizes the importance of comprehensively assessing its entire value chain, both upstream and downstream, and is committed to continuous improvement in this regard. Currently, in the case of suppliers linked to Ferrovial Construction (that represents a 92% of total Ferrovial purchases), a systematic analysis of Tier 1 suppliers is being conducted, which represents a significant part of our supply relationships. In addition, in specific situations that require it, certain Tier 2 suppliers are also included to ensure a more detailed understanding of the related impacts. There are three criteria to select the Tier 2 suppliers: Non-competition, great volume of purchases and if there are high ESG-related risks.

We are aware that extending this assessment to deeper levels is an opportunity to further strengthen traceability and risk management in our operations. Ferrovial is therefore working to develop tools and methodologies that allow us to collect and analyze data in a more efficient and granular manner, with the aim of improving visibility at subsequent levels and ensuring that impacts, risks and opportunities are proactively managed throughout the value chain.

In this particular exercise, the focus was on the most direct and relevant interactions within the supply chain, ensuring alignment with current strategic objectives and sustainability standards. This approach ensures robust and manageable results, as we continue to work to gradually integrate a broader assessment into future reports and processes.

BP - 2: DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Timing and Transparency in the Information Reported

Definition of time horizons

Ferrovial uses different time horizons to address risks, opportunities and sustainability strategies:

- Short Term: The most immediate horizon, with a high probability of occurrence within a one-year period. Within this framework, risks and opportunities tend to manifest themselves quickly.
- Medium Term: Generally covering the next five years, a key period to strategically plan sustainability events or trends with more lead time.
- Long Term: Exceeding five years. This horizon makes it possible to anticipate structural changes and integrate resilient strategies into sustainability plans.

For headcount KPIs (see tables from ESRs S1, S1 - 6), employees from Ferrovial companies and those from joint ventures managed by Ferrovial have been considered. Employees in joint ventures managed by partners have not been included in the reported indicators.

Uncertainty Management and Estimation Sources

The estimated data included in Ferrovial's parameters correspond to Scope 3 emissions. These data have been calculated using indirect sources, such as sectoral averages and proxy variables, due to the inherent complexity in collecting specific value chain data. This is especially the case in applying the emission factors to determine that non-production-related purchased goods and services are not deemed material and therefore not included in the Scope 3 GHG emissions reported in category 1. A detailed explanation of the methodology used and the data sources can be found in the corresponding chapter of the report. (ESRS E1, E1-6).

In addition, in order to calculate the average hourly wage, the number of hours is estimated based on the standard working day established in each country. (ESRS S1-16).

Finally, Water footprint include estimations as detailed in Ferrovial's the water footprint methodology procedure. The discharges calculated are:

Discharge from water used for sanitary use. It includes in its calculation:

- The direct number of employees of Ferrovial per company, subsidiary, project, country or region, as applicable.
- Average water consumption, per employee and per day.
- Number of working days per year.

Discharge from water used to wash vehicles or machinery. It includes in its calculation:

- Number of vehicles owned or controlled by the Company, subsidiary, project, country, region, as applicable. Only include the vehicles or machinery which are washed in facilities that are managed by the Company.
- Average water consumption, per vehicle or machinery and per wash.
- Number of washes, per year and per vehicle or machinery.

Ferrovial ensures transparency in reported data by identifying and communicating measurement uncertainties associated with quantitative and monetary parameters. In each case, we disclose:

- Sources of Uncertainty: Dependencies related to future events, measurement techniques used and quality of data from upstream and downstream stages of the value chain.
- Assumptions and Judgments: The approaches and criteria used to perform specific measurements, providing clarity on processes and results.

This approach ensures an accurate representation of the information, allowing stakeholders to better understand the risks and limitations of the data presented.

Apart from the above, Ferrovial does not have any quantitative parameters or monetary amounts disclosed that are subject to a high degree of measurement uncertainty.

Forward looking information, like plans and targets, involve risk and uncertainty because they relate to future events and circumstances. There are several factors that could impact actual results and developments to never occur or to differ materially from those expressed or implied.

Methodological Changes in Information Preparation

Ferrovial adopted a significant change in its reporting methodology, aligning itself with the new Corporate Sustainability Reporting Directive (CSRD). This transition responds to the need to conform to best international practices and to a greater demand for transparency.

During this period, Ferrovial adopted the standards established by the CSRD and ESRS, resulting in significant changes in the preparation and presentation of sustainability information compared to the previous period under Law 11/2018 and GRI as a voluntary framework. The main changes include:

Remuneration: The methodology for calculating the gender pay gap and the annual total remuneration ratio has been updated, incorporating adjustments for hours worked, and calculation methods using the median instead of average.

Employee ages: Demographic segmentation now includes more specific age ranges and is linked to strategic risks such as talent retention and workforce aging. This change enables a more precise analysis of organizational structure.

Health and safety: The rate of recordable work related accidents was being multiplied by 200,000 and currently also by 1,000,000 in order to comply with the CSRD calculation requirement. Based on this the comparative figures have been revised to follow this new methodology.

Where comparative figures have required adjustments, clear explanations of the modifications made and the reasons behind these updates will be included.

- Compliance with Standards and Reporting Frameworks

Ferrovial's sustainability report is aligned with the CSRD (more detailed information in ESRS 2, BP-1), ensuring rigor and response to regulatory requirements and stakeholder expectations. It is also aligned with Law 11/2018, reinforcing compliance with Spanish legislation on non-financial and diversity information disclosure. To see more information about the Law 11/2018 go to Annex Law 11/2018. Furthermore, in the previous reporting year, a correlation was made between GRI and Law 11/2018. In this reporting year, that correlation is no longer made, and instead, it was aligned with the ESRS.

Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB) guidance have been also considered when preparing the Statement of Consolidated Non-Financial and Sustainability Information.

Ferrovial confirms that, following a thorough review, no errors were identified in the reports from previous periods, reaffirming the Company's commitment to accuracy and transparency in its disclosed information.

Incorporation by Reference

In compliance with Section 9.1 of ESRS 1, Ferrovial is committed to providing a detailed list of disclosure requirements and specific items that have been incorporated by reference in the sustainability report. This approach ensures that all information cited is clearly documented and easily accessible.

- Appendix I. Subsidiaries (fully-consolidated companies) (million euro) (ESRS 2, BP – 2).
- Appendix I. Associate companies (equity-accounted companies) (million euro) (ESRS 2, BP – 2).

GOV - 1: THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Sustainability Governance at Ferrovial

Composition and Roles of Administrative, Management and Supervisory Bodies

Board of Directors:

Ferrovial has a Board of Directors composed of 12 members: 2 Executive Directors (Chairman and CEO) and 10 Non-Executive Directors, 75% of whom meet the independence criteria of the Dutch Corporate Governance Code. This balance between executive and non-executive roles ensures effective and transparent oversight. Gender representation on the Board is 66.6% male and 33.3% female, meeting the diversity targets set by the Company. These figures result in a female to male ratio of 0.5.

The Board of Directors oversees the climate strategy annually and presents it to the Annual General Meeting of Shareholders, where it also addresses other sustainability issues such as the circular economy, water and biodiversity, among others.

Sustainability Committee

Chaired by the Sustainability Director, this committee includes representatives from key business areas (Roads, Airports, Energy and Construction) and corporate areas (HR, Innovation, Communication, among others). It acts as a liaison between the operational areas and senior management, with key functions such as:

- Designing and updating the Sustainability Strategy.
- Supervising climate strategy annually
- Monitoring sustainability performance according to established indicators. In this sense, the targets established by Ferrovial's 2030 Sustainability Strategy are monitored periodically and reports at least on an annual basis to the Board. Most of the identified ESG IROs are included in the lines of action of the plan and in some cases the plan's targets are directly related to specific ESG IROs, as is the case for example with emission reductions.
- Assessing sustainability trends and risks, proposing strategic actions.
- Promoting best practices and providing data for internal and external reporting.

Reporting and Communication Structure

Periodic Reports:

- At least once a year, the Sustainability Department reports to the Board of Directors on the progress of the Sustainability Strategy and the fulfillment of the established objectives. This includes a report on the most relevant sustainability projects and actions.

Follow-up by the Management Committee:

- The Management Committee monitors progress every four months, ensuring that continuous monitoring of sustainability issues occur throughout the year.

Sustainability Committee:

- This committee, chaired by the Chief Sustainability Officer, acts as a link between the business areas and senior management. It reports on progress and results and proposes actions to the Management Committee and other departments. The Chair of the Sustainability Committee submits an annual report to the Board of Directors.

Governance and Oversight of Risks and Opportunities

The Board of Directors and the Audit and Control Committee (ACC) have a central role in overseeing the management of sustainability risks and impacts. Their responsibilities include:

1. Oversight of the Risk Management System: Monitor the effectiveness of internal control, audit and risk management systems in relation to financial and non-financial information.
2. Strategic Risk Assessment: Identify and analyze the risks associated with the Company's strategy, establishing measures to mitigate them.
3. Annual Evaluation: Review and improve internal control systems at least once a year, addressing irregularities, lessons learned and recommendations from internal and external audits.

Additionally, the Board of Directors includes roles specifically related to business conduct, ensuring ethical considerations are integrated into the Company's strategic and operational decisions. These roles involve:

- Ensuring compliance with the Code of Ethics and Business Conduct.
- Overseeing the implementation of anti-corruption policies and practices.
- Monitoring adherence to human rights policies and labor standards.
- Promoting a culture of integrity and transparency throughout the organization.

Monitoring of Sustainability Objectives

The Audit and Control Committee oversees the definition of objectives related to impacts, risks and opportunities, as well as monitoring their progress. This includes:

- Financial and non-financial information processes.
- Financial, strategic, operational and compliance risk management.

The Risk Control and Management Policy and its basic principles is developed through the risk identification and assessment process, called Ferrovial Risk Management (FRM), managed by the Compliance and Risk Department, reporting directly to the Audit and Control Committee of the Board of Directors. FRM is implemented in all the areas of Company activity and is performed twice a year. The Compliance and Risk Department, which is independent of the business lines, reports to the Audit and Control Committee every six months, and to the Board of Directors at least once a year, on the risks that threaten compliance with the business objectives.

The FRM process, through the application of a common metric, makes it possible to identify and assess risk events according to their probability of occurrence and their potential impact on business objectives and corporate reputation. For each risk event identified, two assessments are made: an inherent assessment, without considering the specific control measures implemented to mitigate the risk, and a residual assessment, considering the specific control measures. In this way, Ferrovial can take the most appropriate mitigation measures according to the nature of the risk and evaluate their effectiveness.

In a process of continuous improvement, Ferrovial conducted a review of the risk management process by conducting an internal audit and an external consulting exercise in order to analyze and improve the performance of the process. As a result, the integration between the risk management system and the strategic processes and the definition of the medium and long-term business plan were improved, and the quantification of certain risk variables was optimized, reinforcing the second lines of defense.

In 2024, the Audit and Risk department developed a plan for the optimization of risk management designed to be implemented in the short/medium term. The plan includes several initiatives that will improve both the culture and the processes of risk identification and assessment, including, among others, the increase in the frequency of the FRM process, the establishment of ranges and objectives through key risk indicators and the implementation of a new GRC tool.

Sustainability Capabilities and Expertise

Ferrovial ensures that its management and supervisory bodies have the necessary competencies to address sustainability issues:

1. Access to Specialized Experience:

- Board and Sustainability Committee members receive ongoing training and have access to external expertise through strategic alliances and training programs.
- These capabilities make it possible to anticipate risks related to climate change and develop effective mitigation strategies.

2. Relationship with Incidents, Risks and Opportunities (IROs):

- The Board's capabilities are integrated into the ESG risk map, which facilitates the identification of material impacts and informed decision making.
- Sustainability expertise not only mitigates regulatory and reputational risks but also identifies opportunities for innovation and competitive improvement.

The board of directors reviewed the Double Materiality matrix that contains all the ESG material matters during the year, the board of directors also reviewed the FRM and follow the management of ESG indicators included in the sustainability strategy plan. Our board of directors has experience in the following functional areas:

- Audit and compliance 33%
- Risk management 33%
- Sustainability 33%
- Finance 75%
- General management 100%
- HR & Health, Safety: 58%
- IT, Innovation and Digital Transform: 42%
- Operations: 58%
- Strategy: 100%
- Marketing, Sales and PR : 33%

Ferrovial's Board of Directors is made up of 12 members, including profiles with extensive experience in various key areas for the Company. This diversity of professional backgrounds provides the Board with a solid foundation to effectively address environmental, social and governance (ESG) issues.

The directors include former executives from Ibex-35 companies, executives from international companies and professionals with more than a decade of experience in Ferrovial. This combination of experience ensures a deep understanding of ESG challenges and opportunities. The sectoral diversity of the directors' backgrounds strengthens Ferrovial's ability to address challenges and opportunities in multiple areas, enriching the Company's strategic decision-making. Directors have experience in the sectors of Infrastructure Construction and Services, Engineering, Life Sciences, Building Materials, Third Sector, Energy, Retail and Manufacturing, Consumer Goods and Services, Logistics and Shipping, Investment Banking and Asset Management, Private Equity and International Financial Markets, as well as Infrastructure Management.

Additionally, all these directors have expertise in business conduct matters, ensuring that ethical considerations are integrated into the Company's strategic and operational decisions.

Diversity and Representation

Ferrovial has adopted a Diversity and Inclusion Policy that aims to ensure equitable representation on its governing bodies:

- Gender Diversity Objectives: One third of both men and women on the Board, reaching 33.3% female representation. By 2025, the goal is to reach 30% female representation on the management team.
- Employee Representation: Although they do not have a direct presence on the Board, workers are represented on health and safety committees, where 84% of employees participate in making decisions on labor welfare.

Monitoring of Sustainability Objectives

The Audit and Control Committee oversees the definition of objectives related to impacts, risks and opportunities, as well as monitoring their progress. This includes:

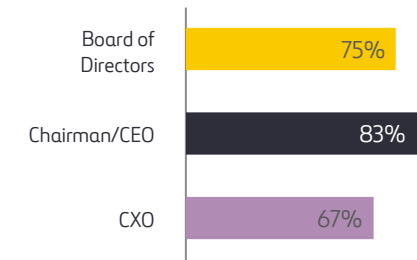
- Financial and non-financial information processes.
- Financial, strategic, operational and compliance risk management.
- Design of internal control systems to ensure the integrity of reported data.

With this structure, Ferrovial ensures a robust, inclusive and strategic approach to sustainability governance, aligning with international best practices and ESG standards.

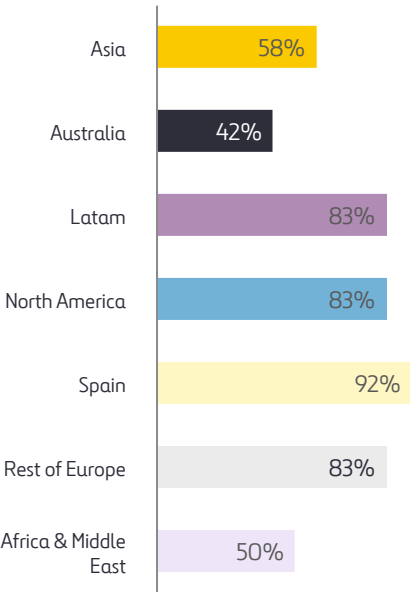
To see information about the Reporting and communication structure, refer to ESRS 2, GOV-2.

Board Experience

Professional Background

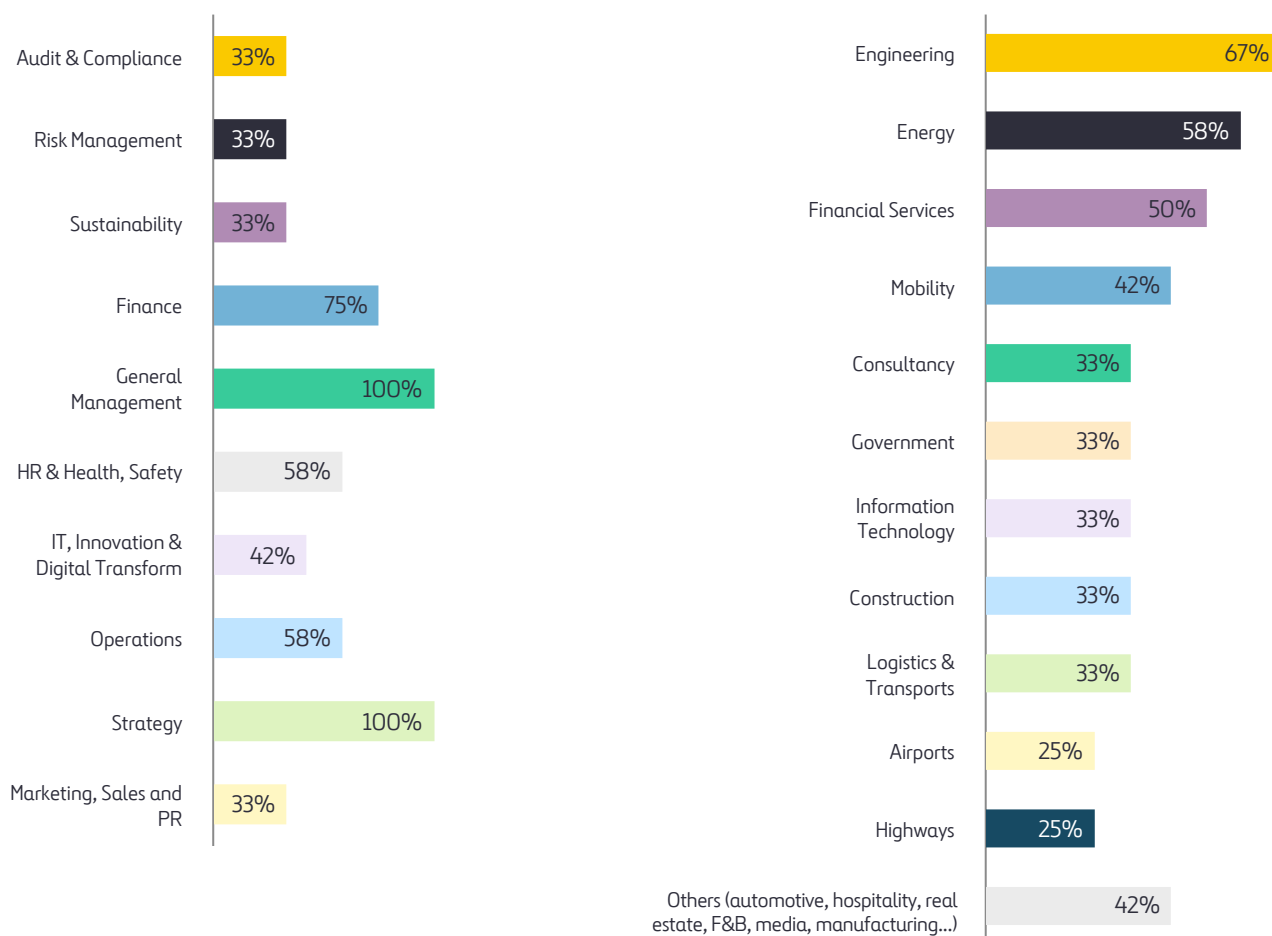


International Experience



Functional Areas

Industry Experience



GOV - 2: INFORMATION PROVIDED TO, AND SUSTAINABILITY MATTERS ADDRESSED BY, THE COMPANY'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES.

Ferrovial discloses how sustainability, management and supervisory bodies are informed about sustainability issues through several structured mechanisms that ensure a constant flow of information and oversight. Key aspects of this disclosure are detailed below:

Reporting and Communication Structure

1. Periodic Reports:
 - The Sustainability Department reports to the Board of Directors on the progress of the Sustainability Strategy and the fulfillment of the established objectives. This includes a report on the most relevant projects or actions in sustainability. In addition, section ESRS 2, SBM-3 shows the IROs that the Board of Directors addresses and supervises.
2. Follow-up by the Management Committee:
 - The Management Committee monitors progress every four months, ensuring that continuous monitoring of sustainability issues is maintained throughout the year.
3. Sustainability Committee:
 - This committee, chaired by the Sustainability Director, acts as a link between the business areas and senior management. It reports on progress and results and proposes actions to the Management Committee and other departments. The Chair of the Sustainability Committee submits an annual report to the Board of Directors. The committee meets three times a year to review progress, discuss sustainability priorities, and align on strategic actions.

In 2024, the main ESG issues that were handled by the above-mentioned bodies were the following lines of action included in Ferrovial's 2030 Sustainability strategy:

Climate Strategy 2030: supervision of the emission reduction goals set for 2030 and 2050, aligned with the Science Based Targets initiative (SBTi).

Water Footprint: water footprint reduction target of reducing water consumption (Business Water Index) by 20% by 2030 (with respect to 2027 as baseline year).

Biodiversity: address the crisis of biodiversity loss and ecosystem degradation that follows the Taskforce on Nature-related Financial Disclosures (TNFD).

Circular Economy: centered on waste management and the material use efficiency in our processes.

Equal Opportunity: Promoting equal opportunities, reduction of the gender pay gap and increase the presence of women in executive positions.

Health and Well-being and Workplace Safety, through the reduction of workplace accidents.

Good Governance: supervision of Business Ethics and Compliance.

Supply Chain: ESG performance of our supply chain regarding performance in ethics & integrity, compliance, transparency, health & safety, environmental issues and human rights.

The sustainability expertise within Ferrovial's governance structure directly relates to the Company's material impacts, risks, and opportunities (IROs). Key examples include:

Climate Risks and Energy Transition

The Company has incorporated climate risk assessments into its ESG strategy, ensuring that the Board and management can effectively oversee this area.

Through specialized training, governance bodies strengthen their oversight of Ferrovial's transition to a low-carbon economy.

Human Rights and Supply Chain Management

The Audit and Risk Committee monitors human rights due diligence measures to prevent negative impacts within the supply chain.

The inclusion of ESG clauses in supplier contracts and the use of monitoring tools like Supplier360 enhance governance in this area.

Reputation and Market Access with High ESG Standards

Sustainability training enables the Board and management to make informed decisions regarding business opportunities in markets that demand high ESG compliance, strengthening Ferrovial's competitive differentiation.

GOV - 3: INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Incentives and Remuneration Policies Linked to Sustainability

Main Features of the Incentive System

Ferrovial developed a remuneration system that combines fixed and variable remuneration, with the aim of aligning the interests of executives with the Company's objectives, including sustainability.

Compensation Structure:

- Fixed compensation
- Variable compensation: Composed of annual and long-term targets.

For the CEO:

Annual Variable Compensation Objectives (AVR):

- RVA equivalent to 100% of the fixed remuneration (RF), with a maximum of 150% of the RF.
- Distribution of objectives:
 - 70% quantitative goals:
 - Net income (55%)
 - Cash flow (45%)
 - 30% ESG goals: Focused on sustainability, evaluating aspects such as reduction of greenhouse gas emissions, diversity and occupational health and safety

Long-Term Incentives:

- Maximum of 150% of fixed compensation, focused on strategic performance metrics.
- For the period 2023-2025 period:
 - 40% activity flow.
 - 50% relative performance.
 - 10% ESG metrics, including emissions reduction, diversity, and occupational health and safety targets.
- Payments are made in shares, promoting a long-term approach and aligning management's interests with the Company's performance.

Protection Clauses:

- Malus and clawback clauses: Allow for review or recovery of incentives in case of underperformance or incorrect results, ensuring the integrity of the system.

Sustainability-related Performance Evaluation

Incorporation of Sustainability Metrics in the Evaluation for the CEO:

- **RVA:**
- 30% of annual variable compensation targets are linked to ESG metrics and other qualitative metrics.
- **Long-Term Incentives:**
 - 10% of the objectives are directly related to sustainability.

ESG metrics:

Currently, Ferrovial does not have specific associations between IROs and the compensation given to the governing bodies. However, its incentive scheme is related to ESG metrics concerning several material IROs:

- **Reduction of greenhouse gas emissions:** This includes the GHG emissions generated by the Company's activities, efforts to reduce greenhouse gas emissions and initiatives to offset the carbon footprint, the development of energy infrastructure, energy efficiency services, renewable energy generation and solutions to mitigate emissions associated with mobility, etc.
- **Diversity and inclusion:** This involves the promotion of equal opportunities through recruitment, selection and training processes that guarantee non-discrimination and no social exclusion for any reason (ethnicity, religion, different abilities, gender, among others). It also includes the promotion of professional development of workers through attractive career guidance programs and services that adapt to their needs, fostering corporate culture. Additionally, the improvement of the work environment through the implementation of a diversity, equality and inclusion complaint and protection mechanism, and the guarantee of freedom of association and collective bargaining.
- **Occupational health and safety:** This focuses on improving the health and safety of workers by enhancing workplace conditions, including technological support (e.g. digitalization of processes). Prevention of death or disabling injuries; prevention of deterioration of workers' health, etc.

Terms of Payment and Evaluation:

- The evaluation is carried out annually to ensure alignment with the established objectives.
- Incentives are subject to protection clauses, guaranteeing the correctness of the reported results.

The remuneration policy, which includes the incentive scheme, is proposed and updated by the Nomination and Retribution Committee and submitted to the Board of Director for its approval.

Variable Compensation Percentage Dependent on ESG Objectives

As part of Ferrovial's commitment to sustainability for the CEO:

- **RVA:** 30% of annual variable compensation depends on ESG objectives and other qualitative metrics.
- **Long-Term Incentives:** 10% of the objectives include sustainability metrics, reinforcing the Company's strategic vision toward sustainable value creation.

Chief Executive Officer*	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term variable remuneration (long-term incentive plans)
Amounts	€1,450,000	Target: 100% of the FR Maximum: 150% of the FR	Maximum (annualized): 150% of the FR
Targets	N/A	70% Quantitative: • Net Result (55%) • Cash Flow (45%) 30% Qualitative and ESG	2020-2022 Plan (2022 grant): • 50% Activity cash flow • 50% Relative TSR 2023-2025 Plan (2023 and 2024 grant): • 40% Activity cash flow • 50% Relative TSR • 10% ESG metrics (greenhouse gas reduction, diversity and occupational health and safety goals)
Design	N/A	100% in cash Malus and clawback clauses Discretion of the Board in exceptional circumstances	100% in shares 3 years of target measurement Malus and clawback clauses

GOV - 4: STATEMENT ON SUSTAINABILITY DUE DILIGENCE

Ferrovial, in compliance with the requirements of the CSRD and ESRS 1 standards, integrates the due diligence process into its management model through Ferrovial Risk Management (FRM), which periodically assesses the potential risks to human rights in its global operations. The Company employs specific tools to ensure respect for, and protection of, human rights, identifying risks in the different phases of the life cycle of its projects. These efforts are aligned with the disclosure obligations set forth in ESRS 1 and demonstrate a commitment to transparency in sustainability practices.

To further enhance its due diligence, Ferrovial plans to extend this process to include value chain management, business transactions, and procurement processes. This extension will incorporate additional controls aimed at mitigating and preventing risks at all stages, fostering collaboration with suppliers and business partners to strengthen responsible practices across its operations.

In its sustainability statement, Ferrovial provides clear correspondence detailing how the key aspects and steps of its due diligence process align with the cross-cutting obligations outlined in ESRS 1. This correspondence explains how these principles are applied within risk management and operational practices, ensuring that the Company's actions on human rights and responsible business conduct are accurately represented. This approach reinforces transparency and traceability, offering stakeholders a true view of Ferrovial's commitment to sustainability and ethical operations.

The main aspects of due diligence can be found in chapter ESRS S3, which also includes information on the Human Rights Policy. Additionally, references to due diligence processes are also included in ESRS E3, E4, and E5.

GOV - 5: RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Risk Management and Internal Controls in Sustainability Disclosures

Ferrovial has developed a robust system of risk management and internal controls to ensure the transparency, reliability and accuracy of sustainability disclosures. This system is designed to address both financial and non-financial risks, aligning with the highest sustainability standards and fostering stakeholder confidence.

Main System Features

1. Digital internal reporting process:
 - Ferrovial uses a digital internal reporting system to collect and manage sustainability-related data. This structured process ensures the integrity and accuracy of the information from its source.
2. Validation of the information:
 - Data entered by users are validated by an independent reviewer, ensuring quality standards and regulatory compliance. This stage reduces errors and improves the credibility of the reports.
3. Review and consolidation:
 - The corporate social responsibility area reviews and consolidates the validated data, identifying inconsistencies and ensuring alignment with the Company's sustainability policies and practices.
4. Presentation to committees and audit:
 - Prior to disclosure, the consolidated data is presented to internal committees, allowing for adjustments and revisions prior to the final audit.

System Scope and Components

1. Risk Control and Management Policy:
 - Approved by the Board of Directors, this policy establishes a general framework for risk management, including those related to sustainability, and defines risk tolerance and appetite levels.
2. Supervision:
 - Audit and Control Committee: Reviews and evaluates control systems, including operational, social and environmental risks, through regular updates of Ferrovial's risk map.
 - Internal Audit: Ensures the effectiveness of internal controls over financial and non-financial information, aligning them with strategic sustainability objectives.
3. Risk Assessment:
 - Conducted annually, this assessment includes a self-assessment of controls and the "Rolling Forward" process, which analyzes significant changes in processes or organization that may impact internal controls.

Risk Assessment Methodology

Ferrovial uses its in-house corporate risk management process Ferrovial Risk Management (FRM), executed twice a year, to identify and prioritize risks according to their probability and impact. This process allows for continuous evaluation and the implementation of appropriate control measures.

Main Risks Identified and Mitigation Strategies

1. Climate Risks:
 - Identification: Physical risks such as heat waves and droughts that affect infrastructure and transition risk arising from regulatory changes, reputational aspects...
 - Mitigation: Use of ADAPTARE methodology based on IPCC projections to assess climate impacts, development and implementation of the Deep Decarbonization Path, among others.

2. Strategic Risks:

- Identification: Changes in mobility patterns, project availability, and challenges in attracting and retaining talent.
- Mitigation: Analysis of market trends and development of alternative scenarios to promote traffic and project availability.

3. Operational Risks:

- Identification: Risks associated with the completion of construction projects, which may impact costs and profitability.
- Mitigation: Periodic auditing systems and specific controls on projects.

4. Compliance and Ethics Risks:

- Identification: Risks derived from non-compliance with ethical and security policies, with legal and reputational repercussions.
- Mitigation: Specific environmental management and biodiversity policies, integrated into an environmental management system.

Related Controls and Follow-up

- Annual Risk Assessments: Include action plans to address residual risks.
- Health and Safety Prevention Systems: Ensure that safety measures are maintained as a fundamental value.

Sustainability Reports

The sustainability area reports regularly to the Board of Directors on the progress of the sustainability strategy and the fulfillment of objectives, ensuring that sustainability is an integral element in risk management and internal controls.

Ferrovial regularly monitors its regulatory, strategic, operational and financial risks both from a business standpoint and in relation to governance, environmental management and social issues. These risks are evaluated and the most relevant are reported to the Audit Committee.

The Group's sustainability strategy is aimed at taking advantage of environmental, social and governance opportunities and managing and mitigating risks, as well as minimizing the negative impacts of Ferrovial's activities. In this way, the strategy considers lines of action, targets and measures that enable the implementation of these practices from the strategic level to the actual management of operations.

In the design of each of the Group's strategic sustainability plans, the impacts, risks and opportunities are taken into account, in addition to confirming their suitability after each update of double materiality.

If, in subsequent years, any issues related to sustainability reporting, double materiality or internal controls regarding non-financial information arise, they will be submitted to the Audit and Control Committee as pertains to functions.

SBM - 1: MARKET POSITION, STRATEGY, BUSINESS MODEL(S), AND VALUE CHAIN

Ferrovial is a global Company focused on the development and operation of sustainable infrastructure. The Company's business model is based on the integration of its business units (Toll Roads, Airports, Construction and Energy), where the Construction area supports the concession business with best-in-class engineering capabilities to design and build infrastructure. The integrated model is present in the entire lifecycle of a project, from conceptualization to design, funding, construction, and operation of critical infrastructure such as toll roads and airports. The Company's growth focus remains the U.S., where we have a 20-year track record of building and managing toll roads and airports and we will continue to expand our North American asset base in the coming years.

Ferrovial integrates sustainability as a fundamental pillar in its Horizon 24 strategic plan, promoting the development of sustainable, innovative and efficient infrastructures. The sustainability strategy is at the core of the Company, contributing to business development, helping to address the challenges that society faces and to generate new strategic opportunities, as well as building trust among its stakeholders. Three strategy vectors:

ENVIRONMENT. Protect the Environment:

Contribute to decarbonization: commit to becoming Net Zero by 2050 or earlier, promote low carbon infrastructures and support the energy transition.

1. Contribute to decarbonization: commit to becoming Net Zero by 2050 or earlier, promote low-carbon infrastructures and support the energy transition.
2. Reduce the environmental footprint: reduce and compensate water consumption, promote the circular economy and reduce impact on biodiversity and natural capital.
3. Adapt to climate change risk: manage climate transition risks and increase infrastructures resilience through design improvements.
4. Invest in business opportunities with positive environmental impacts: develop business models to support energy transition (i.e., energy efficiency, urban renovation, vertiports).
5. Foster business toward a taxonomy portfolio: assess and monitor alignment and consider EU Taxonomy for new projects.

SOCIAL. Improve lives and communities:

1. Foster economic development and engage with local communities: enhance economic activities in the regions where we operate and contribute to social development.
2. Improve people's quality of life: create better places to live and work, improve infrastructure safety and user satisfaction.
3. Improve health, safety and well-being: promote key initiatives and programs for employees.
4. Develop talent ensuring diversity and inclusion: expand global and local talent pool and provide career development opportunities.

GOVERNANCE. Lead our business responsibly:

1. Place sustainability at the core to create long term value: ensure ESG is embedded in the strategy and engage top management.
2. Be a long-term reliable partner: maintain a strong governance model and commit to Ferrovial's values and governance practices.

The sustainability strategy has key indicators that serve to evaluate the degree of implementation of Ferrovial's Sustainability Policy, along with the degree of achievement of the objectives set out in the Strategy in the short, medium and long term.

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

The principles and values of the Sustainability Policy engender the rest of the Company's existing policies that have implications in sustainability matters, ensuring that these principles are observed in the different Group companies in which it has holdings. Both the Sustainability Policy and the Strategy integrate and provide consistency for all of them, guaranteeing a coordinated deployment of the different areas of action.

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

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

The Sustainability Committee is chaired by the Sustainability Director and is composed of representatives from the business areas (Toll Roads, Airports, Energy and Construction) and the corporate areas (Sustainability -Chairman and Secretary-, Health, Safety & Well-being, Compliance and Data Protection, Innovation, Human Resources, Communication and CSR, General Counsel's Office, Corporate Strategy, Investor Relations and Procurement). On an annual basis, the committee chairman reports to the Board of Directors.

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

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

To respond to modern-day challenges, the 2030 Sustainability Strategy provides guidelines for developing innovative, efficient and sustainable infrastructure, always taking into account three fundamental dimensions: environmental, social and governance.

The Strategic Plan is the indispensable tool to ensure that sustainability is effective in fulfilling its mission and contributes to the development of the business, the creation of trust among its stakeholders and the fulfillment of its medium and long-term objectives. The Sustainability Committee has promoted the 2030 Sustainability Strategy Plan, prepared taking into account the main global macro-trends, the regulatory and normative environment (2030 United Nations Agenda, Climate Change and the European Green Deal), the main economic-financial frameworks (Task Force on Climate-Related Disclosures (TCFD), Taxonomy and the European Next Generation Plan), social challenges (new urban agenda, new mobility habits, etc.), technological factors (energy transition and digitalization), environmental factors (climate change, water scarcity, loss of biodiversity and public health), ESG investor requirements, the main reporting frameworks (Global Reporting Initiative, SASB and the TCFD), as well as CSR trend reports from various prestigious institutions. In addition, Ferrovial was recognized by AENOR as the first company to certify its Sustainability Strategy with the United Nations Sustainable Development Goals. It has specific areas of action and targets for each year and for the environmental, social and governance (ESG) areas. It is also aligned with the Horizon 24 business strategy and covers Ferrovial's value chain, from customers to suppliers.

SUSTAINABILITY STRATEGY MEASUREMENT TARGETS

The Sustainability Strategy has a set of key performance indicators, which serve to assess the progress and implementation level of the strategy, as well as the degree of achievement of the targets set. The Company also established a framework for monitoring the impact on the SDGs with it focuses on the 2030 Agenda. This model is certified by AENOR, and the certification that AENOR awarded to Ferrovial in 2020 on sustainability and business contribution to the Sustainable Development Goals was renewed. The results obtained in 2024 and the deadline established for each objective stand as follows:

KPI MONITORING 2024



— Performance 2024 — Target 2024

	PERFORMANCE INDICATORS	2024 PERFORMANCE	TARGET	HORIZON	PERFORMANCE INDICATORS
E	1. GHG emissions: Scope 1&2 absolute emissions (tCO ₂)	-35.78%	-42% (vs 2020)	2030	
	2. GHG emissions: Scope 3 absolute emissions (tCO ₂)	-18.03%	-25% (vs 2020)	2030	
	3. Renewable electricity consumption	72.75%	100%	2025	
	4. Annual recycling of Construction & Demolition waste	93.0%	>70%	2024-on	
	5. Water consumption (Business Water Index Reduction)	-26.7%	-20% (vs 2017)	2030	
	6. Taxonomic activities (% of Capex aligned)	42.9%	80%	2025	
	7. Taxonomic activities (% of turnover aligned)	34.1%	60%	2025	
S	8. H&S: Serious injury and fatality frequency rate (incl. subcontractors: [Number x 1M] / Hours worked)	-26.0%	-31.8% (vs 2022)	2026	
	9. Road safety (fewer crashes compared to an alternative or similar network)	-50.2%	-30%	2024-on	
	10. Female talent: Leadership roles	26.2%	30%	2025	
	11. Time saved: Monetized annual time savings of the Managed Lanes vs the General-Purpose Lanes in the Workday Peak	29.3%	50% (vs 2022)	2030	
ESG	12. Digitalization & innovation: portfolio that contributes directly and indirectly to improving ESG (% of investment over total portfolio)	34%	60%	2025	

SUSTAINABILITY INDEXES

Ferrovial is periodically evaluated by analysts who take into account the Company's ESG performance. In 2024 the Company was included in the main sustainability indices:

- **Dow Jones Best-in-Class World Index**, prepared by S&P Global: Ferrovial has been a continuous member of this select index for the last 23 years. Score: 81/100 (+6 compared to 2023)
- **FTSE4Good**: the Company was included on this index for the 21st consecutive year.
- **CDP**: 15th year in a row on the A List of CDP Climate Change and 2nd time on the A List of CDP Water.
- **MSCI**: "A" rating.
- **Morningstar Sustainalytics**: Ferrovial received an ESG Risk Rating of 20.2, assessed by Sustainalytics as having a medium risk of experiencing material financial impacts from ESG factors.
- **MOODY'S**: member of the Euronext-Vigeo Europe 120 index.
- **ISS ESG**: ISS ESG Corporate Rating: C+. Prime status. ISS Governance QualityScore: Governance: 2 – E&S: 1 (which represents the lowest risk)
- **GRESB**: 92 points, maximum "A" rating.
- **ECOVADIS**: gold medal, with a score of 80/100.

Ferrovial maintains its four strategic priorities:

- **People**: ensuring the highest standards for health and safety in operations and implementing innovative technologies to prevent accidents for users and employees. Ferrovial will continue to attract, develop and deploy the best talent for each position, foster diversity, and actively manage the engagement level of our employees. Regarding the representativity of the different geographies where Ferrovial operates, a breakdown of employees by geography as well as the total headcount may be found in ESRS, S1-6.
- **Sustainable growth**: developing high concession infrastructure value in our core markets, asset rotation to realize value of investments and fund future opportunities and ensure maximum return to shareholders
 - **Toll Roads** has a unique infra-asset base that focuses on developing congestion relief solutions, particularly in the U.S. and Canada through Managed Lanes (ML). The business will continue to develop MLs and toll roads in U.S. as well as focusing on increasing the solid pipeline and pursuing selected projects in other countries such as India (i.e., IRB partnership).
 - The value proposition of the **Airports** market is based on facilitating air transportation growth to improve people connectivity as air-traffic increases. The business unit will focus on terminal-related opportunities in the US, airport expansion projects in Europe and other growth opportunities where Ferrovial's capabilities represent an advantage.
 - **Energy** is focused on developing projects for the energy transition: transmission lines, renewable projects, and energy efficiency business in selected markets.
 - **Construction** is key in supporting other divisions on complex infrastructure projects with end-to-end technical, engineering and production capabilities. The business unit has strong local bases in Texas, Spain & Poland that support other geographies and manage risks from bidding and design to project delivery.
- **Operational excellence**: continue to improve efficiency, maximize cash generation, reinforce core processes and risk management.
 - Ferrovial's commitment to sustainability aims to improve the future through the development and operation of sustainable infrastructures. The Company is committed to protecting the environment and support communities, enhancing safety, improving user experience, and reducing travel times.
 - Ferrovial is present in industry-leading sustainability indices such as Dow Jones Best in Class Index, MSCI, Sustainalytics, FTSE4Good, Moody's and Carbon Disclosure Project, among others.
- **Innovation**: supporting Ferrovial's core business, accelerate its digital transformation, foster an appropriate cybersecurity culture and develop AI use cases.

For all the above-mentioned services and activities, Ferrovial's model is B2B, its main clients, as one of the largest multinational companies in infrastructure and construction, including both public and private entities. The Group's main customer groups are:

- **Governments and Public Authorities**: Ferrovial works with local, regional, and national governments on various infrastructure projects, such as roads, toll roads, bridges, tunnels, airports, and urban development works.
- **Airlines and Airport Authorities**
- **Energy and Infrastructure Companies**: Ferrovial works with large companies in the energy and infrastructure sector.
- **Private Companies**: Ferrovial also collaborates with private sector companies on construction, urban development, and facility management projects, such as telecommunications and technology companies for the construction of specific infrastructures, industrial companies that require construction and maintenance services.
- **International organizations**: In addition to Spanish clients, Ferrovial also works with several international organizations on large-scale projects in countries including the United States, Canada, and other European and Latin American nations.

Regarding the representativity of the different geographies where Ferrovial operates, a breakdown of employees by geography as well as the total headcount may be found in ESRS, S1-6.

Value Chain

Ferrovial manages its entire value chain, ensuring that all key players are aligned with sustainability objectives:

1. Upstream stages:
 - Sustainable Supplies: Materials from suppliers that meet sustainability standards.
 - Local Collaboration: Promotes alliances with local suppliers to promote regional economic development.
2. Downstream stages:
 - Customers and Communities: Develops strategic relationships with customers and communities, engaging them in sustainability initiatives such as the circular economy and energy efficiency.
3. Principles of Circular Economy:
 - Promotes the reuse and recycling of materials, maximizing the value of inputs throughout their life cycle.
4. Water management:
 - Implements responsible water conservation and reuse technologies in operations, especially in areas with significant water stress.
5. Responsible use of natural resources:
 - Promotes eco-efficiency and guarantees the traceability of the products and raw materials used in its projects, fostering the acquisition of certified wood and ensuring that the materials used come from sustainable and responsible sources.

Critical Challenges and Solutions

1. Challenges:
 - Adaptation to climate change.
 - Emissions reduction.
 - Biodiversity preservation.
2. Solutions:
 - Development of low-emission infrastructure.
 - Implementation of circular economy.
 - Increased infrastructure resilience.

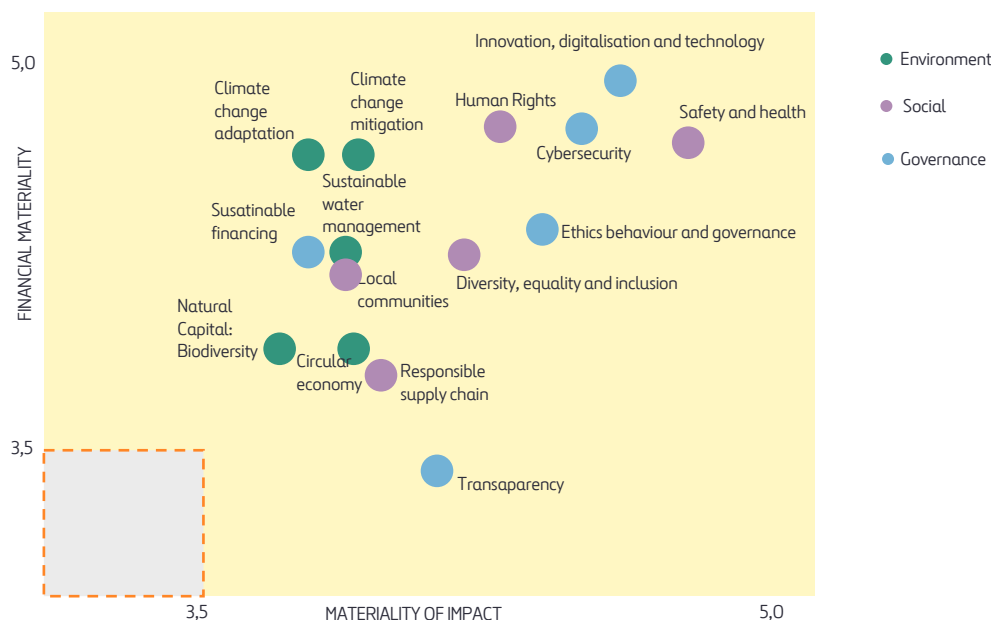
Impact and Risk Assessment

Ferrovial regularly assesses the risks associated with its key sectors and value chain, ensuring that they are aligned with its business model and sustainability objectives. This approach allows it to identify opportunities, mitigate negative impacts and promote a sustainable transition in all its operations.

Ferrovial confirms that it does not engage in any of the following activities: the production of chemicals included in division 20.2 of Annex I of Regulation (EC) No 1893/2006; the manufacturing of controversial weapons, such as anti-personnel mines, cluster munitions, chemical weapons, and biological weapons; or the cultivation and production of tobacco.

Ferrovial confirms that it does not produce, offer, or operate any products or services that are prohibited in any of the markets where it conducts business.

These material issues that have emerged correspond to ESG trends, the important issues to be managed in the sector and the nature of the activities carried out by Ferrovial. These issues are confirmed by the voluntary survey of third parties (stakeholders) and have also been checked with the company's management (an internal survey was launched among all members of the management committee and corporate directors).



Abbreviation	Topics
Climate Change Mitigation	Mitigation of climate change and contribution to decarbonization
Climate Change Adaptation	Adaptation and resilience of infrastructures to climate change
Pollution	Air, soil, and water pollution
Hazardous Substances	Hazardous and highly concerning substances
Waste	Circular economy in waste management
Circular Economy in Materials	Circular economy in the purchase of materials used in the manufacturing of products and
Sustainable Water Management	Sustainable water management
Natural Capital	Natural capital: biodiversity and ecosystems
Health and Safety	Health and safety of employees, contractors, and users
Customer Satisfaction	Customer satisfaction and proper use of our infrastructures
Attracting and Retaining Diverse Talent	Attraction and retention of talent ensuring diversity, equality, and inclusion
Generating Positive Impact in Communities	Generating positive impact in local communities
Human Rights	Respect for Human Rights throughout the entire value chain
Responsible Supply Chain	Responsible supply chain
Ethics and Governance	Ethical behavior, governance, and ESG management
Sustainable Financing	Sustainable financing, driving the business model towards a sustainable portfolio
Cybersecurity and Privacy	Cybersecurity and data privacy
Innovation, Digitalization, and Technology	Innovation, digitalization, and technology applied to business
Transparency and Dialogue	Transparency and dialogue with key stakeholders

SBM - 2: INTERESTS AND VIEWS OF STAKEHOLDERS

Integration of Stakeholders' Opinions

Strategic Focus on Stakeholders

Ferrovial actively incorporates the interests and opinions of its stakeholders into its business strategy and business model. This approach ensures alignment with stakeholder expectations, reinforces mutual trust and fosters a sustainable impact on the communities and markets where it operates.

1. Commitment to transparency:
 - Ferrovial prioritizes clear, accessible and continuous communication with all stakeholders, including relevant financial, social and environmental aspects.
 - Transparency in sustainability objectives, progress and results strengthens trust and fosters collaboration.
2. Innovative communication channels:
 - Digital tools are used to facilitate a two-way dialogue, allowing the active participation of stakeholders in strategic decision making.
 - Regular consultations, surveys and meetings ensure an understanding of stakeholders' needs and expectations.
3. Continuous adaptation:
 - The strategy and business model are reviewed periodically to incorporate feedback and adjust to market and societal trends.
 - This dynamic approach ensures the relevance and sustainability of operations. As an example of this approach Ferrovial sold its Services business unit.

Collaboration with Stakeholders

Ferrovial identifies its main stakeholders, who play a fundamental role in the execution of its business and sustainability strategy:

- Clients: Companies and organizations that demand innovative and sustainable solutions for their infrastructure needs.
- Employees: Human talent is essential for projects and organizational culture.
- Suppliers: Key allies in the supply chain, guaranteeing sustainable materials and services.
- Shareholders: Investors interested in financial performance and sustainability commitments.
- Local Communities: Beneficiaries of infrastructure projects, whose well-being and development are a priority.
- Governments and Regulators: Authorities responsible for regulations that guide operations.

Collaboration Methods:

Ferrovial employs a wide range of strategies to work with its stakeholders and address key sustainability issues:

- Dialogue and consultation: Surveys, consultations and regular meetings to understand their needs and expectations.
- Social responsibility projects: Initiatives that benefit local communities, fostering trust and cooperation.
- Strategic alliances: Collaborations with NGOs, public organizations and other relevant groups to address sustainability challenges.
- Transparency in communication: Regular reports and updates on actions and results related to sustainability.

Impact and Sustainability Alignment

Ferrovial's approach ensures that stakeholder interests are integrated into its business model, promoting:

- Innovation and sustainability: Developing solutions that balance operational efficiency with environmental and social respect.
- Inclusion and well-being: Promoting professional development, inclusion and a healthy work environment for employees.
- Value chain collaboration: Establishing lasting and sustainable relationships with suppliers and local communities.
- Regulatory compliance: Ensuring alignment with sustainability and social responsibility regulations and policies.

Ferrovial integrated sustainability into its corporate strategy to address stakeholder expectations and comply with increasing non-financial disclosure regulations. In 2023, the Company updated its Sustainability Strategy to align with the demands of the financial community, including investors and shareholders, ensuring that sustainability remains a fundamental pillar of the business. As part of this process, Ferrovial established its 2030 Sustainability Strategic Plan, defining specific action areas and targets in environmental, social, and governance (ESG) matters, in line with its Horizon 24 corporate strategy.

This plan includes measures that will be implemented over the coming years, covering the Company's entire value chain. These initiatives are expected to strengthen stakeholder trust and enhance the market perception of the Company. By proactively addressing regulatory changes and social demands, Ferrovial aims to consolidate its reputation and strengthen its competitive position in the sector.

Sustainability oversight is integrated into Ferrovial's corporate governance structure. The Audit and Risk Committee is responsible for supervising ESG risks and ensuring their alignment with the Company's strategy. Additionally, the Sustainability Committee, chaired by the Chief Sustainability Officer and composed of representatives from various business areas, acts as a liaison between operations and senior management. This committee regularly reports on sustainability progress and outcomes, proposing strategic actions to the Management Committee and ensuring that corporate decisions reflect stakeholder interests and expectations.

Annually, the Chair of the Sustainability Committee presents a report to the Board of Directors, ensuring that governing bodies are informed about sustainability challenges and opportunities. Through these oversight mechanisms, Ferrovial ensures informed decision-making and the effective integration of sustainability into its business model.

The breakdown of total revenue, as included in the financial statements, can be found in Consolidated Financial Statements, Section II: Profit/(LOSS) for the year, 2.1. Operating Income.

SBM - 3: MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL(S)

Ferrovial identified the ESG Impacts, Risks and Opportunities linked to its activities that are summarized in the table below. The Group addresses critical risks and negative impacts regarding environmental sustainability, social responsibility, and governance integrity, while fostering positive outcomes and identifying opportunities. The material risks, impacts and opportunities arising in Ferrovial's activities are the basis for the definition and implementation of the Company's ESG strategy and are intimately linked to its business model. The IROs arise from Ferrovial's B2B model and stem from the construction and asset operation activities it performs for its clients. . This strategy is adapted to each of the Group's different lines of business and takes into account its own operations and the value chain, mostly concentrated in our own operations and upstream value chain.

Positive Impacts			
Reduction of greenhouse gas emissions and offsetting the carbon footprint.	Improvement in the working conditions due to the increase in permanent contracts and the reduction of temporary, as well as, the establishment of adequate wages.	Improvement in the working conditions of all Group employees through the application and periodic review of the Human Rights Policy, as well all other commitments (Global Compact and United Nations Guiding Principles).	Avoid and/or mitigate incidents that could affect the integrity of the infrastructures managed by the Company, the integrity and privacy of people and/or the environment.*
Development of sustainable and resilient infrastructures that offer solutions for adaptation to climate change.	Improvement of the working environment through the implementation of complaint and protection mechanisms in terms of diversity, equality and inclusion, always guaranteeing freedom of association and collective bargaining.	Improvement of working conditions in the supply chain by generating a high-quality working environment.	Improve the cybersecurity culture of Company stakeholders.*

Efficient use of resources: reduction, reuse or recycling of waste in construction.	Promotion of equal opportunities through the implementation of recruitment, selection and training processes that guarantee non-discrimination and zero social exclusion for any reason (ethnicity, religion, different abilities, gender, among others).	Create wealth and employment in the communities in which we operate thanks to local purchasing policy.	Generation of innovation in society through the creation of research centers by developing collaborations and alliances.*
Increase the availability, efficient consumption and improvement of water quality through operations at Cadagua.	Reduction of inequalities and improvement of the situation of vulnerable groups through the development and promotion of social action projects, research, education, the fight against hunger, etc.	Prevention of corruption and bribery crimes by promoting and enforcing compliance with the rules and compliance policies established by the Group.	Improvement in the environmental impact of our projects (energy efficiency, emission reduction, etc.) through the implementation of new technologies in the product process and digital management tools that help quantify their impact.*
Conservation and respect for the natural environment, under the principle of "no net loss," seeking to minimize and offset the negative impacts of activities through environmental planning and the commitments made.	Reduction of inequalities and improvement of the situation of vulnerable groups through the development and promotion of projects of social action, research, education, fight against hunger, respect for cultural rights, etc.	Increase society's trust by rejecting, avoiding and reporting any illegal or inappropriate action along the Group's entire value chain, promoting ethical behavior and the legality of business activities.	Promotion of an innovative and digital culture that fosters the continuous improvement of the Group and creates a friendlier working environment.*
Improved health and safety of workers by improving workplace conditions, including technological support (e.g., digitalization of processes).	Promotion of local purchases by integrating the entire value chain.	Improvement of performance and increase in values throughout the business chain based on the ethical requirements promoted by the Group and correct risk management.	Promotion of innovation and digitization to improve safety in projects, reducing accidents and risks for workers.*
Promote the professional development of workers through attractive career guidance programs and services that are adapted to their needs.	Improvement in the living conditions of local communities because of our infrastructures (reduction of accidents, certainty of times, decongestion of cities, access to drinking water, and better urbanized areas).	Contribution to internal awareness and dissemination among external stakeholders (contractors, partners, commercial suppliers, etc.) of the principles of integrity and ethics in business conduct.	Generation of trust thanks to the Company's ability to have transparent and consistent communications.*
Promotion of employees' professional development through attractive career guidance programs and services that adapt to their needs, promoting a corporate culture.			

Negative Impacts*

GHG emissions generated by the Company's activities.	Deterioration of workers' health.	The construction and development of infrastructures, such as roads, bridges, dams, energy, drinking water and transportation systems can directly affect the human rights of communities and clients (displacement of population, for example).	Maintenance problems and need to replace machinery to adapt to new technologies.*
Increase in the consumption of raw materials and greater generation of waste in construction.	Death or disabling injuries.	Improvement of financing conditions so insignificant that they do not stimulate the appetite for this type of financing by companies for the financing of their projects.*	Impact on the workforce due to the technological gap of some profiles arising from the digital transformation.*
Extraction, consumption and discharge of water in areas of water stress (surface waters and marine resources).	Disturbances to the local community caused by activity, construction and operations (noise pollution, road closures, etc.).	Materialization of incidents that could affect the integrity of the infrastructures managed by the Company, the integrity and privacy of people and/or the environment.*	Decrease in the workforce stemming from automation and the inclusion of new technologies.*
Preventive measures to avoid incidents involving the status of species and the spread of invasive alien species.			Loss of credibility and trust among stakeholders due to a lack of transparency in the reporting of non-financial information and publishing untruthful misleading data (greenwashing).*

Risks

Increased risk and/or non-compliance with legislative requirements or objectives linked to climate change and lack of availability of new technologies.	Operational risk delays: caused by stoppage of activities as a result of a fatal accident or damage to property.	Damaged reputation and loss of trust as a responsible company that does not comply with human rights.	Severe fines and penalties for non-compliance with regulations and enforcement control frameworks.*
Increase in maintenance and extraordinary repairs in infrastructure due to severe weather events.	Financial risk: related to compensation or sanctions; Loss of contracts with customers with high security standards.	Worsening of financing conditions if sustainability criteria are breached.*	Vulnerability in operations through service interruptions due to exposure to natural disasters.*
Loss of biodiversity and natural capital in construction and surrounding areas as a result of construction and in surrounding areas as a result of the construction of large renewable energy infrastructures and transmission lines.	Loss of competitiveness due to lack of diversity in the workforce.	Targeted by sophisticated cyberattacks that affect the Company's operations, productivity, information, intellectual property or image/reputation, as well as the integrity of people.*	Possible fines and loss of reputation for regulatory non-compliance in AI issues.*
Reputational risk caused by the impact of a fatal accident or one with catastrophic consequences.			

Opportunities			
Development of energy infrastructure, energy efficiency services, renewable energy generation and solutions to mitigate emissions associated with mobility.	Attraction and retention of talent and reduction of turnover thanks to having projects with high technological value where they can develop in very attractive professional fields.	To be a benchmark in the sector by promoting best practices in human rights throughout the value chain.	Greater competitiveness when bidding for projects.
New opportunities for the development of sustainable and resilient infrastructures and services that offer solutions for adaptation to climate change, which can provide competitive advantages by providing differential solutions.	Increased employee productivity.	Differentiation and access to clients with requirements of high human rights standards.	Improvement in ESG ratings thanks to the implementation of best practices in corporate governance.
New ways of developing Ferrovial Construction's business through authorized waste management.	Improvement of the Company's reputation and image, and consolidation in local markets.	Increased mutual trust that improves operability and transparency in the relationship with our suppliers.	It shows the market the Company's commitment to sustainability, including in the financial sphere.*
Through Cadagua, Ferrovial helps to solve the effects of climate change on water resources, focusing its business on the design, construction, operation and maintenance of water treatment facilities, favoring the availability of resources in the natural environment and for human consumption.	Strengthen the license to operate due to good management with local communities.	Promotion of an ethical culture that allows preventing and minimizing the risks of conduct or irregular practices in the value chain.	Make security a business driver, differentiating ourselves from our competitors through advanced security practices and high levels of compliance.*
Increased productivity, job satisfaction and employee retention thanks to the Group's care for the health and well-being of employees.	Improvement of employees' pride of belonging and engagement, as well as the attraction of talent due to participation in social projects and the Company's commitment.	Increased funding or improved financing conditions for projects with ethical and anti-corruption requirements (socially responsible investment).	Improved corporate governance and trust in the company.*
Reduction of absenteeism from work arising from proper management of the health and well-being of employees that reduces the costs derived from accidents at work and occupational diseases.	Implementation of new technologies that generate a more resilient portfolio of assets.*	Identification of new businesses based on the evaluation of new low-emission technologies (photovoltaic plants, nuclear SMRs, off-shore wind, etc.).*	

The IROs marked with an * are those identified as entity-specific IROs.

The IROs above result in the following sustainability matters:

- Climate change mitigation and contribution to decarbonization
- Adaptation and resilience of infrastructures to climate change
- Air, soil and water pollution
- Circular economy and sustainable use of resources
- Sustainable water management
- Natural Capital: Biodiversity
- Safety and health of employees, contractors and users
- Customer satisfaction and safe use of our infrastructures.
- Attracting and retaining talent by ensuring diversity, equality and inclusion
- Generating a positive impact on local communities
- Respect for Human Rights throughout the value chain
- Responsible supply chain
- Ethics behavior, governance and management of ESG aspects
- Sustainable financing, driving the business model towards a taxonomic portfolio
- Cybersecurity and data privacy
- Innovation, digitalisation and technology applied to business
- Transparency and dialogue with key stakeholders

All of Ferrovial's impacts, both positive and negative, apply in the short, medium and long term, i.e. from last year to over 5 years from the current moment as they stem from core activities and are in great part inherent to them, such as Health&Safety issues, equality and diversity in a workforce that operates in a STEM sector and global geographies, carbon emissions, etc.

Ferrovial has established clear time horizons for assessing impacts (incidences) related to double materiality, which are deemed reasonably foreseeable based on their likelihood of occurrence. These time horizons are categorized as follows:

Short term:

Impacts whose likelihood of occurrence is particularly associated with the next year. This horizon allows for the evaluation of risks and incidences requiring immediate attention and short-term operational planning.

Medium term:

Includes impacts whose likelihood of occurrence is associated with a timeframe covering the next five years. This horizon is crucial for strategic planning and adapting to regulatory, technological, and market changes.

Long term:

Evaluates impacts whose likelihood of occurrence is associated with a timeframe starting beyond five years. This horizon is used to anticipate structural and strategic transformations that may affect operations or business sustainability in the long term.

Regarding Climate Action and Carbon Footprint, the Group focuses on reducing greenhouse gas (GHG) emissions and offsetting the carbon footprint generated by corporate activities, to mitigate the significant contribution of its activities to GHG emissions. In parallel, Ferrovial develops sustainable and resilient infrastructure to address the impacts of climate change, and promotes efficiency in raw material consumption and waste generation, through minimization, reuse and recycling.

As for Water Management, the Group is aware of the relevance of water extraction, consumption, and discharge in water-stressed areas negatively impacting surface and marine water resources. Therefore, Ferrovial enhances water availability, promotes efficient consumption, and improves water quality through operational measures such as those implemented at Cadagua. The challenge the Group faces is to prevent water stress and ensure sustainability in regions of high water demand. Additionally, through its clean water projects, the water consumed at construction sites is returned to the environment using Cadagua's treatment processes. Furthermore, Ferrovial contributes to water availability in underserved regions through international cooperation initiatives involving the construction of wells.

As for Biodiversity Conservation, the Group implements preventive measures to protect species, control invasive alien species, and minimize negative impacts through environmental planning under a "no net loss" principle. Ferrovial's approach is to take into account the risk of activities causing environmental degradation or loss of biodiversity at an early stage when analyzing viability and taking measures to minimize environmental impact.

Regarding social issues, ensuring Occupational Safety and Health is of utmost importance, and the Company is committed to improving workplace conditions and to introducing technological advances, such as process digitalization to optimize conditions. The Group continuously works on the prevention and minimization of workplace diseases and fatal or disabling injuries.

Talent is a valuable asset that Ferrovial nurtures through professional development and worker well-being programs. The Company offers attractive career guidance programs and tailored services to support professional growth and strengthen corporate culture. The efforts are currently focused on automation and digital transformation to reduce gaps in skills and reduce workforce needs in certain areas.

Ferrovial is committed to fostering a workplace where everyone has the opportunity to thrive. The Company prioritizes inclusive recruitment, training, and selection processes to actively combat discrimination and social exclusion based on ethnicity, religion, gender, or abilities. By addressing societal inequalities, Ferrovial ensures workplace diversity and equal opportunities for all.

Through impactful social action projects, Ferrovial contributes to reducing inequalities and supporting vulnerable groups. Education and cultural initiatives play a central role in these efforts, alongside the development of safer and better-urbanized areas with access to essential infrastructure. These actions enhance the quality of life in local communities, even as the company carefully manages potential challenges such as displacement or dissatisfaction stemming from construction activities.

Ferrovial upholds high ethical standards by implementing mechanisms that protect diversity, equality, and inclusion. Ensuring freedom of association and collective bargaining is at the core of these initiatives. Transparency remains a guiding principle, with robust reporting processes in place to maintain stakeholder trust and prevent issues such as "greenwashing."

Human rights are central to Ferrovial's operations. The Company regularly reviews its policies to align with commitments such as the UN Global Compact and Guiding Principles. Efforts to improve labor conditions include promoting permanent contracts and ensuring fair salaries. By balancing technological advancements with workforce needs, Ferrovial supports sustainable growth without compromising social justice.

Ferrovial plays a vital role in strengthening local economies by integrating local suppliers into its value chain. The Company is also addressing challenges related to financing sustainable development projects, ensuring proper maintenance of technology and machinery, and driving the adoption of innovative solutions that create lasting economic impact.

As to the current and anticipated effects of the Group's material IROs, Ferrovial's 2030 Sustainability Strategy is both a **risk mitigation and value creation framework**. By proactively addressing material ESG IROs, the Company is positioning itself to navigate the **complex sustainability landscape**, enhance its **business resilience**, and capitalize on **emerging green infrastructure opportunities**. The continuous evolution of **regulatory requirements, market expectations, and technological advancements** will shape Ferrovial's decision-making processes and strategic outlook in the years to come. In particular, Ferrovial has detected during the year the following effects of climate change: In North Carolina the Helene Hurricane caused the I-77 highway not to be charged dynamic pricing for 5 weeks, the economic impact of which amounted to 2.4M\$. In addition, the consequences suffered by the DANA in Valencia generated an impact on our financial accounts of 0.87M€ as a result of Ferrovial workers and machinery offered for the emergency situation.

Current:

- **Impact on its Business Model, Value Chain & Governance:**
 - The increasing emphasis on **low-carbon and resilient infrastructure** has led Ferrovial to integrate **green building technologies** and enhance the **circular economy** within its supply chain.
 - The shift toward **renewable energy and sustainable transportation** affects its procurement strategies, pushing for increased **resource efficiency and emission reduction**.
 - The **development of resilient infrastructures** is becoming a competitive factor, requiring investment in climate-adaptive projects.
 - The formation of the **Sustainability Steering Committee**, reporting to the Board of Directors, ensures that ESG considerations are embedded in corporate decision-making.
 - Integration of **ESG performance indicators** into executive remuneration aligns **leadership incentives with sustainability goals**.
- **Risks for Ferrovial's business:**
 - **GHG emission regulations** pose transition risks, increasing compliance costs and necessitating additional investments in **clean technologies**.
 - Social and regulatory expectations for **reducing greenhouse gas emissions** may require rapid adaptation of operating practices.
 - **Non-compliance with climate-related legislation** could lead to legal and financial penalties, impacting project feasibility.
 - **Maintenance and repairs due to weather events** present physical risks, as extreme weather conditions can damage critical infrastructure and disrupt operations.
- **ESG related business opportunities:**
 - The transition toward **net-zero infrastructure** opens new revenue streams in **sustainable mobility**, including the development of **electric vehicle (EV) charging networks** and **urban air mobility (UAM) solutions**.
 - **New opportunities in resilient solutions** provide a competitive advantage in delivering climate-adaptive infrastructure projects.
 - Circular economy principles create cost-saving opportunities by promoting **waste reduction, recycling, and efficient resource use** within projects.
 - The **development of energy solutions** enables technological advancements in sustainable energy, strengthening Ferrovial's market positioning.

Future:

- **Impacts**
 - Ferrovial's commitment to the **Science-Based Targets initiative (SBTi)** and the **Paris Agreement** influences capital allocation toward **sustainable infrastructure projects**.
 - Investment in **smart and resilient urban development** aligns with the increasing global demand for **sustainable cities and green transportation**.
 - The **push for climate-adaptive solutions** is influencing Ferrovial's approach to infrastructure design and risk mitigation.
- **Risks**
 - Risk of stricter ESG regulations in the **European Union, United States, and Latin America** may impose compliance costs and require adjustments in **risk management frameworks**.
 - Market fluctuations and supply chain disruptions related to **geopolitical tensions** and **raw material shortages** could pose risks for meeting accomplishing project timelines and cost efficiency.
 - Failure to keep pace with **technological demands for sustainable energy** may limit Ferrovial's competitiveness in the evolving energy sector.
 - Reputational risks associated with **greenwashing concerns** require transparent sustainability reporting and alignment with **European regulations**.
 - Potential backlash from investors if sustainability goals are not met or if there are delays in achieving climate commitments.
 - **Failure to comply with evolving climate-related legislation** could lead to regulatory scrutiny and financial penalties.
 - Inability to access sustainable funding due to ESG performance below market expectation.
- **Opportunities:**
 - Expansion into **green infrastructure financing** and **public-private partnerships (PPPs)** offers strategic growth avenues.
 - Digital transformation, including **AI-driven asset management and predictive maintenance**, enhances operational efficiency and long-term asset resilience.
 - A focus on **climate-resilient infrastructure development** enables Ferrovial to differentiate itself in the market and secure long-term contracts.
 - Strengthened **stakeholder engagement** through transparent **sustainability disclosures** enhances corporate reputation and investor confidence.
 - Adoption of **ESG-driven innovation strategies** fosters resilience and market leadership in the global infrastructure sector.

- A proactive approach to climate legislation compliance positions Ferrovial as an industry leader in sustainable infrastructure.

Ferrovial identified material impacts that have turned out to be exclusively through its own activities, arising directly from its business model and operations in sectors such as construction, infrastructure management and energy. These incidents do not depend on external business relationships. The Company addresses these issues independently through internal strategies, digital transformation programs and policies designed to maximize efficiency and minimize negative impacts.

The materiality assessment conducted in the previous EINF report focused solely on impact materiality, as required by Law 11/2018. Unlike the current approach under the CSRD framework, the previous assessment did not include an analysis of financial materiality and did not apply the concept of double materiality. This represents a significant methodological shift, aligning the new assessment with broader sustainability reporting standards.

There have been no significant changes on the level of material sustainability matters compared to last year's sustainability report. However, previous years' reporting contents were regulated by the Spanish regulation transposing the EU's Non-Financial Reporting Directive, meaning that financial materiality was not required and the mandatory contents of the report were not as extensive as those of the ESRS standards.

In the performance of its corporate objectives, Ferrovial is exposed to diverse risk factors emerging from the nature of the sectors in which it operates, the countries where its activities are located and the different regulations to which it is subject. The Board of Directors of Ferrovial establishes—in the Risk Control and Management Policy—the risk appetite and the admissible tolerance level for each risk factor. This policy aims to provide all Company employees with a general framework of action for the control and management of the risks of any nature that they may face when striving to implement the business objectives and the general strategy of Ferrovial. Risk appetite levels are set per risk factor on a scale from risk aversion to risk assumption. For instance, a risk aversion appetite was set for risks related to ethics, integrity and compliance, and a risk assumption appetite was set for risks related to strategic innovation.

	Risk Appetite Levels for most relevant Risk Events				
	aversion	reduced	neutrality	moderate	assumption
Mobility patterns					
Availability of value-generating projects					
Talent attraction and retention					
Cyberthreats					
Macroenvironment					
Non-compliance with sustainability objectives					
Health and safety					
Company reorganization					
Climate change					
Ethics and integrity					
Financial risks					

IRO - 1: DESCRIPTION OF PROCESSES TO IDENTIFY AND ASSESS ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Identification and Evaluation of Impacts, Risks and Opportunities (IRO)

Ferrovial implements a rigorous process to identify, evaluate and prioritize IROs relevant to its business model and sustainability strategy:

1. Initial Identification:

- Section AR16 of ESRS 1 has been used as a fundamental basis for conducting the double materiality analysis, serving as a reference framework for the identification of the main issues, and subsequently of the Impacts, Risks and Opportunities (IROs). This gives us the certainty that all the issues contemplated in the CSRD regulations have been addressed comprehensively.

Ferrovial used a comprehensive analysis of the sectoral context, based on:

- International ESG Standards: GRI, SASB, ESRS, Global Compact, among others.
- Regulation: CSRD, Green Deal, EU Taxonomy, Climate Change Law, among other relevant regulations.
- Analyst and Investor Requirements: Dow Jones Best in Class Index, MSCI, Sustainalytics, Blackrock.
- This approach allowed a precise identification of the key points of the value chain and the impacted stakeholders.
- Internal meetings were held with corporate and business area teams to identify the most relevant IROs.
- A list of 43 impacts, 14 risks and 23 opportunities were drawn up, considering positive and negative, current and potential impacts.

2. Full Coverage:

- Ferrovial ensures full coverage by assessing its value chain, encompassing internal operations as well as business relationships with partners, suppliers, and contractors. This includes activities related to the construction, maintenance, and management of infrastructure, which have significant social and environmental implications.

3. Classification:

- Impacts were classified into Sustainability matters (environmental, social and governance), aligned with ESRS and previous materiality exercises.

Evaluation and Methodology

Ferrovial follows a structured approach based on EFRAG recommendations to identify, assess, prioritize, and monitor sustainability-related risks and opportunities. This process integrates both financial materiality and impact materiality, ensuring that the connections between impacts, dependencies, and their financial effects are thoroughly evaluated.

Ferrovial conducts a comprehensive analysis of potential and actual impacts across its value chain, identifying:

Negative impacts: Such as legal non-compliance, operational risks, and reputational damages.

Critical dependencies: Such as the availability of key resources (e.g., raw materials) and strategic relationships with business partners.

1. Impacts:

- Evaluated as the product of severity and probability.
- For negative impacts, severity includes degree, irremediability and extent. For positive impacts, irremediability does not apply.

2. Risks and Opportunities:

- Evaluated as the product of severity and probability.
- For risks, severity is based on negative effects on the business or legal non-compliance.
- For opportunities, the positive effect on reputation, financial statements or asset/liability value is measured.

3. Semi-qualitative methodology:

- Based on EFRAG recommendations, adapted to capture IRO specificity.

4. Prioritization:

As part of the double materiality analysis and the identification of Impacts, Risks, and Opportunities (IROs), a structured evaluation process was conducted using a five-point scale to assess the relevance of each topic. IROs classified within the highest two categories were deemed material and prioritized accordingly.

This framework ensures that the most relevant topics are prioritized and that the analysis complies with the standards set by current regulations, providing a solid and transparent foundation for decision-making.

5. Monitoring and control of financial effects:

Ferrovial utilizes digital tools and internal processes to ensure continuous monitoring of sustainability-related risks and opportunities. These tools allow:

Tracking of key metrics: Impacts on revenue, operating costs, and invested capital.

Periodic control: Reviewing mitigation measures and real-time adjustments.

Additionally, results are regularly reported to the Board of Directors through the Audit and Risk Committee, ensuring proper and transparent oversight.

IRO Management Process

1. Double materiality:

- Severity and likelihood were based on Ferrovial's risk map, ensuring alignment between the materiality analysis and risk management.
- The interaction between the risk map and double materiality analysis allows the incorporation of trends, regulatory changes and operational challenges.

2. Comprehensive management

- IROs are integrated into the overall risk management process, allowing an assessment of the risk profile from both financial and non-financial perspectives.
- This integration guides strategic and operational decisions, maximizing opportunities and mitigating negative impacts.

3. Control and follow-up:

- Prioritization is based on the severity and likelihood of negative impacts, while positive impacts are prioritized according to magnitude, scope and likelihood.
- Ongoing assessments are conducted to update the risk profile based on the environment and emerging needs.

Impact on Corporate Strategy

The IRO evaluation process allows:

- Proactive mitigation: Addressing regulatory, operational and reputational risks.
- Seizing opportunities: Identifying areas for improvement, such as energy efficiency, the circular economy and climate resilience.
- Informed decision making: Aligning strategic actions with sustainability objectives and stakeholder expectations.

Integration in General Management

Ferrovial's Risk management process (FRM) has led to the development of certain IROs for the Double Materiality assessment (DMA), similar to how the other IROs identified in the DMA will be fully integrated into this FRM.

Ferrovial has implemented a comprehensive and systematic process to identify, evaluate, prioritize, and control potential and actual impacts on people and the environment. This process aligns with due diligence principles and integrates the following key elements:

- i. Focus on specific activities, business relationships, and geographic areas with higher risk**

The process emphasizes identifying and prioritizing activities, business relationships, and geographic areas with a higher risk of adverse impacts. These includes:

- Geographic areas:** The evaluation focuses on regions where Ferrovial operates, such as North America, Europe, and other specific areas with significant environmental and social challenges. In Ferrovial's double materiality analysis, for Impacts, Risks, and Opportunities (IROs) related to the environment, different geographies and locations have been considered within the same IRO. The applied methodology establishes that the final score assigned always corresponds to the highest rating obtained among all evaluated geographies. This approach avoids averaging in the assessment of environmental IROs, aiming to prevent the severity of any impact, risk, or opportunity from being diluted. By selecting the maximum value, the analysis ensures that no environmental aspect is underestimated, providing a more robust evaluation aligned with the business reality and its impact across different regions.
- Business relationships:** It includes an in-depth review of the supply chain, focusing on suppliers operating in high-risk sectors or regions.
- Activities:** Impacts related to Ferrovial's core sectors, including toll roads, airports, construction, and energy, are evaluated, considering the complexity and specific challenges of each area.
- As an example of this assessment, Cadagua has related IROs that have been deemed material while the rest of the business units consider water stress to have low materiality. To see more information refer to ESRS E3.

- ii. Consideration of impacts from both Ferrovial's operations and business relationships**

The analysis encompasses both direct operations and impacts resulting from business relationships:

- Direct operations:** The process assesses environmental and social impacts generated by infrastructure projects, from design to execution and maintenance.
- Business relationships:** It extends to suppliers and partners, ensuring that sustainability and human rights standards are upheld throughout the value chain.
- iii. Stakeholder consultations to understand impacts**

Ferrovial's due diligence process includes consultations with stakeholders to understand how they may be affected:

- Stakeholder groups:** The Company conducts a double materiality analysis involving active participation from employees, local communities, investors, clients, and business partners. These consultations help identify the areas with the greatest impact and risk.
- Execution of the Double Materiality Analysis**

Ferrovial employs a double materiality analysis as a core tool to identify and prioritize relevant impacts. This approach considers both:

- The risks and impacts the Company has on the environment and society.
- The risks and impacts on the Company's financial and operational performance.

This process ensures that Ferrovial makes informed decisions, prioritizing risk mitigation to enhance the sustainability of its operations and business relationships, while meeting international standards and stakeholder expectations.

Ferrovial classifies risks and opportunities based on their impact in different areas: Critical (5), Significant (4), Important (3), Informative (2), Minimal (1), and None (0).

Risks

- Operational:** They can affect business continuity, ranging from temporary disruptions to the inability to continue operations.
- Reputational:** Assess the damage to the company's perception and the trust of stakeholders.
- Regulatory:** Consider possible infractions, from minor violations to critical breaches that could lead to severe penalties or suspension of activities.

Opportunities

- Reputational:** Analyze improvements in the company's perception and stakeholder trust.
- Business Growth:** Measure the financial impact of new opportunities on revenue, costs, and asset or liability valuation.

Ferrovial's decision-making process and internal control procedures, as well as the integration of impact, risk, and opportunity identification, assessment, and management within the company's overall risk management framework, are detailed in section ESRS 2, SBM-3, where the Ferrovial Risk Management (FRM) is presented.

Ferrovial's double materiality analysis relies on various data sources, including regulations such as ESG standards (ESRS, GRI, SASB), benchmarking with competitors, and trend analysis in media and investors. Its scope covers all business lines (Energy, Construction, Highways, and Airports) and key geographies (Europe, America, Asia, and Australia), considering the entire value chain. Hypotheses are built using historical data, stakeholder consultations, and semi-qualitative evaluation models, ensuring a comprehensive view of impacts, risks, and opportunities.

The materialization of the Risk Control and Management Policy and its basic principles is materialized, among others, in the risk identification and assessment process, called Ferrovial Risk Management (FRM). FRM is implemented in all the company's areas of activity and is carried out twice a year.

The Compliance and Risk Department, which is independent of the business lines, reports to the Audit and Control Committee every six months, and at least once a year.

The FRM process, through the application of a common metric, makes it possible to identify and assess risk events, including ESG items, according to their probability of occurrence and their potential impact on business objectives and corporate reputation. For each risk event identified, two assessments are made: an inherent assessment, without considering the specific control measures implemented to mitigate the risk, and a residual assessment, considering the specific control measures. In this way, Ferrovial can take the most appropriate mitigation measures according to the nature of the risk and evaluate their effectiveness.

As a result, there is an integration between the risk management system, the strategy of the company and the Double Materiality Matrix.

IRO-2. Disclosure Requirements in ESRS covered by the Company's sustainability statement

For an explanation of the thresholds maintained to determine the IROs that define the information to be reported, see ESRS 2 IRO-1. For the list identified material IROs, refer to ESRS 2, section SBM-3.

Standard	Disclosure requirement	Comment
ESRS 2	BP-1	43
ESRS 2	BP-2	44
ESRS 2	GOV-1	46
ESRS 2	GOV-2	49
ESRS 2	GOV-3	50
ESRS 2	GOV-4	52
ESRS 2	GOV-5	52
ESRS 2	SBM-1	53
ESRS 2	SBM-2	58
ESRS 2	SBM-3	59
ESRS 2	IRO-1	65
ESRS 2	IRO-2	68
ESRS E1	SBM-3	85
ESRS E1	GOV-3	50
ESRS E1	IRO-1	82
ESRS E1	E1-1	85
ESRS E1	E1-2	87
ESRS E1	E1-3	88
ESRS E1	E1-4	89
ESRS E1	E1-5	89
ESRS E1	E1-6	90
ESRS E1	E1-7	92
ESRS E1	E1-8	93
ESRS E1	E1-9	n/a Phased-in
ESRS E2		n/a Not material
ESRS E3	IRO-1	95
ESRS E3	E3-1	95
ESRS E3	E3-2	97
ESRS E3	E3-3	98
ESRS E3	E3-4	98
ESRS E3	E3-5	n/a Phased-in
ESRS E4	SBM-3	100
ESRS E4	IRO-1	102
ESRS E4	E4-1	103
ESRS E4	E4-2	106
ESRS E4	E4-3	107
ESRS E4	E4-4	109
ESRS E4	E4-5	110
ESRS E4	E4-6	n/a Phased-in
ESRS E5	IRO-1	112
ESRS E5	E5-1	112
ESRS E5	E5-2	113
ESRS E5	E5-3	114
ESRS E5	E5-4	114
ESRS E5	E5-5	115
ESRS E5	E5-6	n/a Phased-in
ESRS S1	SBM-2	117
ESRS S1	SBM-3	117
ESRS S1	S1-1	118
ESRS S1	S1-2	123

ESRS S1	S1-3	124	
ESRS S1	S1-4	125	
ESRS S1	S1-5	128	
ESRS S1	S1-6	128	
ESRS S1	S1-7	n/a	Phased-in
ESRS S1	S1-8	132	
ESRS S1	S1-9	133	
ESRS S1	S1-10	134	
ESRS S1	S1-11	n/a	Phased-in
ESRS S1	S1-12	134	
ESRS S1	S1-13	n/a	Phased-in
ESRS S1	S1-14	134	Information related to value chain workers phased-in
ESRS S1	S1-15	n/a	Phased-in
ESRS S1	S1-16	135	
ESRS S1	S1-17	137	
ESRS S2	SBM-2	138	
ESRS S2	SBM-3	138	
ESRS S2	S2-1	139	
ESRS S2	S2-2	142	
ESRS S2	S2-3	142	
ESRS S2	S2-4	143	
ESRS S2	S2-5	145	
ESRS S3	SBM-2	146	
ESRS S3	SBM-3	146	
ESRS S3	S3-1	148	
ESRS S3	S3-2	150	
ESRS S3	S3-3	151	
ESRS S3	S3-4	151	
ESRS S3	S3-5	153	
ESRS S4		n/a	Not material
ESRS G1	GOV-1	154	
ESRS G1	IRO-1	154	
ESRS G1	G1-1	154	
ESRS G1	G1-2	160	
ESRS G1	G1-3	160	
ESRS G1	G1-4	162	
ESRS G1	G1-5	n/a	Not material
ESRS G1	G1-6	162	
ENTITY SPECIFIC: CYBERSECURITY		163	
ENTITY SPECIFIC: INNOVATION, DIGITALIZATION AND TECHNOLOGY APPLIED TO THE BUSINESS		170	

Standard	Disclosure requirement	Reference	Materiality	Page
ESRS 2	GOV-1	SFDR/BNCH	Material	46
ESRS 2	GOV-1	BNCH	Material	46
ESRS 2	GOV-4	SFDR	Material	52
ESRS 2	SBM-1	SFDR/P3/BNCH	Material	53
ESRS 2	SBM-1	SFDR/BNCH	Material	53
ESRS E1	E1-1	LC	Material	85
ESRS E1	E1-1	P3/BNCH	Material	85
ESRS E1	E1-4	SFDR/P3/BNCH	Material	89
ESRS E1	E1-5	SFDR	Material	89
ESRS E1	E1-5	SFDR	Material	89
ESRS E1	E1-5	SFDR	Material	89
ESRS E1	E1-5	SFDR	Material	89
ESRS E1	E1-5	SFDR	Material	89
ESRS E1	E1-5	SFDR	Material	89
ESRS E1	E1-6	SFDR/P3/BNCH	Material	90
ESRS E1	E1-6	SFDR/P3/BNCH	Material	90
ESRS E1	E1-6	SFDR/P3/BNCH	Material	90
ESRS E1	E1-6	SFDR/P3/BNCH	Material	90
ESRS E1	E1-7	LC	Material	92

ESRS E1	E1-7	LC	Material	97
ESRS E1	E1-9	P3	Material	Phased-in
ESRS E1	E1-9	BNCH	Material	Phased-in
ESRS E2	E2-4	SFDR	No Material	
ESRS E3	E3-1	SFDR	Material	95
ESRS E3	E3-1	SFDR	Material	95
ESRS E3	E3-1	SFDR	Material	95
ESRS E3	E3-4	SFDR	Material	98
ESRS E3	E3-4	SFDR	Material	98
ESRS E4	E4 SBM-3	SFDR	Material	100
ESRS E4	E4 SBM-3	SFDR	Material	100
ESRS E4	E4 SBM-3	SFDR	Material	100
ESRS E4	E4-2	SFDR	Material	106
ESRS E4	E4-2	SFDR	Material	106
ESRS E5	E5-5	SFDR	Material	115
ESRS E5	E5-5	SFDR	Material	115
ESRS S1	S1 SBM-3	SFDR	Material	117
ESRS S1	S1 SBM-3	SFDR	Material	117
ESRS S1	S1-1	SFDR	Material	118
ESRS S1	S1-1	P3	Material	118
ESRS S1	S1-1	SFDR	Material	118
ESRS S1	S1-1	SFDR	Material	118
ESRS S1	S1-3	SFDR	Material	124
ESRS S1	S1-14	SFDR/BNCH	Material	134
ESRS S1	S1-14	SFDR	Material	134
ESRS S1	S1-16	SFDR/BNCH	Material	135
ESRS S1	S1-16	SFDR	Material	135
ESRS S1	S1-17	SFDR	Material	137
ESRS S1	S1-17	SFDR/BNCH	Material	137
ESRS S2	S2 SBM-3	SFDR	Material	138
ESRS S2	S2-1	SFDR	Material	139
ESRS S2	S2-1	SFDR	Material	139
ESRS S2	S2-1	SFDR/BNCH	Material	139
ESRS S2	S2-4	SFDR	Material	143
ESRS S3	S3-1	SFDR	Material	148
ESRS S3	S3-1	SFDR/BNCH	Material	148
ESRS S3	S3-4	SFDR	Material	151
ESRS S4	S4-1	SFDR	No Material	
ESRS S4	S4-1	SFDR/BNCH	No Material	
ESRS S4	S4-4	SFDR	No Material	
ESRS G1	G1-1	SFDR	Material	154
ESRS G1	G1-4	SFDR/BNCH	Material	162
ESRS G1	G1-4	SFDR	Material	162

Minimum Disclosure Requirement:

All Minimum Disclosure Requirements (MDR) have been fully addressed within their corresponding chapters. With the exception of the below:

No other metrics than the carbon footprint included in the Climate Strategy, reviewed by PricewaterhouseCoopers Auditores SL, have been subject to validation by an external body other than the external assurance provider.

Currently, our approach to managing and reporting sustainability investments focuses on an aggregate analysis of total CapEx allocated to initiatives aligned with our strategic objectives and sustainability commitments. However, we do not yet have a detailed breakdown of CapEx, current and future financial resources at the individual action level. We are working on improving our data collection and analysis systems, with the aim of implementing a model that will allow us to calculate and report this indicator in more detail in future reporting exercises. This evolution will allow us to provide greater transparency and align ourselves with best practices in sustainability and corporate governance.