



**FERROVIAL'S
SUSTAINABILITY-
LINKED FINANCING
FRAMEWORK**

ferrovial

June 2024

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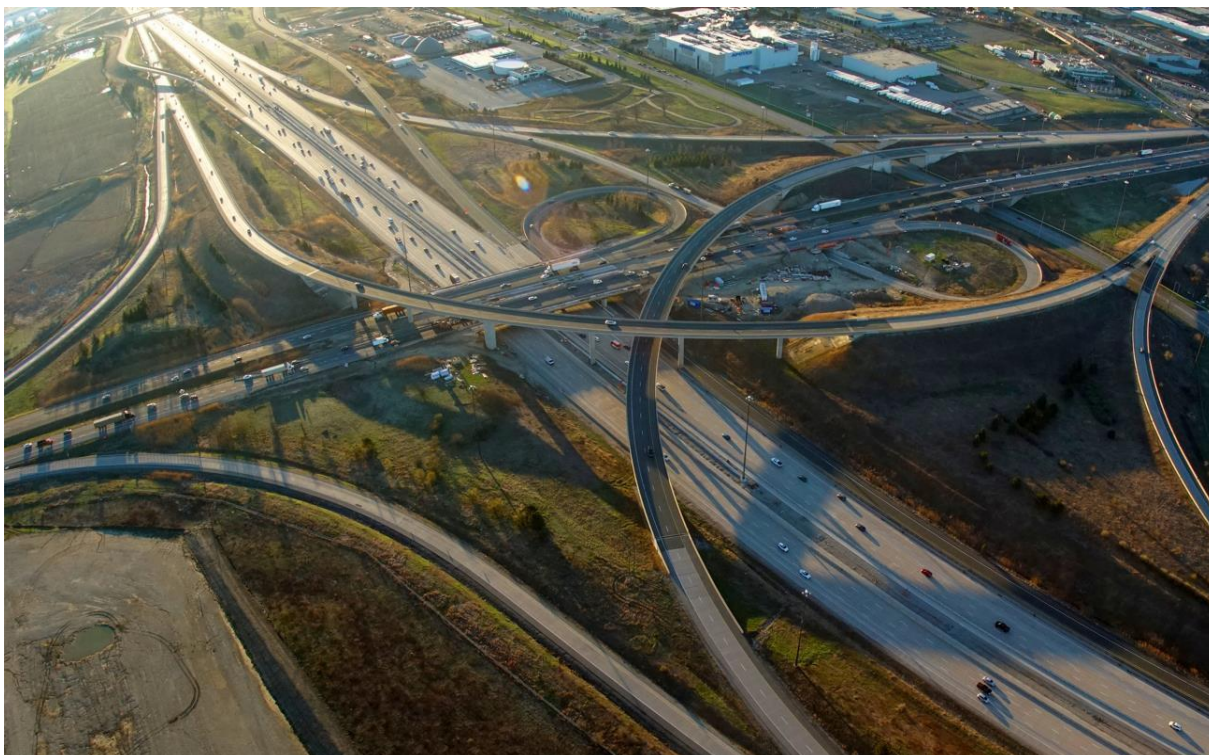
1. INTRODUCTION

1.1. ABOUT FERROVIAL’S HISTORY, BUSINESS, AND STRATEGY OBJECTIVES

Ferrovial is a leading global operator in sustainable infrastructure, spanning across the entire life cycle (design, financing, construction, operation, maintenance, and rehabilitation). The company continues to grow new business opportunities based on mobility, water, energy, and adaptation.

As of 31st December 2022, Ferrovial has 24,191 employees and a global presence in key countries (USA, Canada, Spain, UK, Poland, Colombia, Peru and Chile), historically servicing clients through four business lines:

TOLL ROADS	CONSTRUCTION	AIRPORTS	ENERGY & MOBILITY
<ul style="list-style-type: none"> Promotion, investment and operation of toll roads and other road infrastructure. The Toll Roads division features the company Cintra. 	<ul style="list-style-type: none"> The design and construction of infrastructure in the areas of civil engineering work, building and industrial construction. The construction division includes the following companies: In United States: Webber In Spain and internationally : via Ferrovial Construction and Cadagua. In Poland: Budimex      	<ul style="list-style-type: none"> Airport investment and operation via Ferrovial Airports and Ferrovial Vertiports. Ferrovial Airports is one of the world's leading private airport investors and operators. <p>It currently has assets in the United Kingdom (Heathrow (25%), the three that make up the AGS Group (50%) - Aberdeen, Glasgow and Southampton) and Turkey (Dalaman International Airport (60%).</p> <ul style="list-style-type: none"> Ferrovial Vertiports is leading the way in developing networks of interconnected, sustainable vertiports around the world. We aim to design, build and operate the infrastructure required by eVTOL (electric Vertical Take-Off and Landing) aircraft, also known as flying cars.     	<ul style="list-style-type: none"> To address the energy transition, Ferrovial recently developed a new business line to develop renewable energy projects and sustainable mobility solutions.  



1.2. FERROVIAL'S SUSTAINABLE GOALS

Ferrovial is a leader in developing and operating innovative, efficient and sustainable infrastructure, creating long term value for its stakeholders (employees, customers, users of its infrastructures, society and its shareholders).

Sustainability is a key factor for the business model, as Ferrovial generates new opportunities and facilitate future growth. The Sustainability Strategy is deployed by the principles of the Sustainability Policy¹, which was approved by the Board of Directors in October 2021.

FERROVIAL'S APPROACH TO THE 2030 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDG) AGENDA

Ferrovial is committed to the United Nations Sustainable Development Goals (SDGs). The company has established a framework to monitor the impact on the SDGs throughout Ferrovial's value chain. This is an integrated model that takes into account the joint value of the positive and negative impacts on each of the SDGs, with a quantified assessment that enables the Ferrovial Group's contribution to the 2030 Agenda to be monitored. Results are disclosed on Ferrovial's website and within the Integrated Annual Report and are subject to independent third-party verification.

¹ <https://static.ferrovial.com/wp-content/uploads/2022/01/18235420/sustainability-policy.pdf>
<https://static.ferrovial.com/wp-content/uploads/2022/01/18235420/annexes-sustainability-policy.pdf>

Ferrovial is the first Spanish company to achieve the AENOR² certification on the “Alignment of the Sustainability Strategy with the UN’s SDGs”. The certification includes the verification and traceability of the KPIs that monitor Ferrovial’s performance on sustainability.

ESG Highlights

When addressing the UN SDGs, Ferrovial aims to have impact across Environmental, Social and Governmental components of its operations.

ESG	DESCRIPTION
ENVIRONMENT	<ul style="list-style-type: none"> • A verified Deep Decarbonization Path (see further details below): <ul style="list-style-type: none"> ○ Ferrovial has set a climate neutrality target (scopes 1&2) by 2050, and it is working currently on upgrading to the “Net-Zero” commitment, by introducing a more ambitious target by 2050, up to 90% emissions reduction (instead of current 80%), as well as reshaping the offsetting program introducing just natural carbon sinks offsets. ○ According to this path, Ferrovial aims to achieve a 35.3% absolute scope 1 & 2 GHG emissions reduction by 2030 (vs 2009, baseline year), in accordance with the Science Based Targets initiative (SBTi) verified 2°C trajectory. ○ Acknowledging the importance of its indirect emissions, Ferrovial aims to achieve a 20% absolute scope 3 GHG emissions reduction by 2030 (vs 2012, baseline year), in alignment with the SBTi verified 2°C trajectory. ○ As a responsible energy consumer, Ferrovial aims to source 100% of its energy from renewable sources by 2025. • Reducing our Water Footprint: Ferrovial aims to reduce its water consumption by 20% by 2030 (vs 2019 baseline year). • Managing our Waste Footprint: The circular economy is a key component to the construction and infrastructure sector. Ferrovial aims to achieve a level of 70% reuse or recycling of construction waste, and 80% reuse of excavations in civil works. • Preserving Natural Capital: Ferrovial is committed to no-net loss of biodiversity.
SOCIAL	<ul style="list-style-type: none"> • Maintaining Occupational Safety: Ferrovial is committed to reduce the annual rate of serious injuries and fatal frequency by 27.1% by 2025 (vs. 2022, baseline year). Ensuring that health, safety and wellbeing is a core value of our employee’s daily work and is essential to achieve the proposed objectives and guarantee safe working environments and conditions for Ferrovial’s employees. To be able to achieve this commitment, Ferrovial has established four pillars: <ul style="list-style-type: none"> • Resilience: Protection of its employees, stakeholders & businesses in adverse circumstances. • Competency: Ensure teams are competent, trained and empowered to perform their duties. • Leadership: Workers inspire, care for and are strict about complying with health, safety and wellbeing guidelines. • Engagement: Generate a learning environment that facilitates the exchange of knowledge, innovation and effective communication. • Focusing on Gender Equality: Ferrovial has consistently been ranked among the companies most committed to gender equality by the Bloomberg Gender-

² AENOR is a leading body for certifying management systems, products and services, and has developed a certification model that helps companies analyse and certify the contribution of their sustainability strategy to the SDGs.

GOVERNANCE

Equality Index (GEI). Additionally, for over a decade, Ferrovial has had the “Equality Employer” seal, which is granted by Spain’s Ministry of Equality to companies that favour equal opportunity and give priority to merit and talent. Ferrovial is proud of its efforts to promote diversity and equal opportunity, and in this regard, Ferrovial aims to have 30% of women in leadership roles by 2024.

Investing in the community: Ferrovial develops sustainable infrastructure and being active agents in addressing health and social problems (reaching 286,213 beneficiaries in 2022). For example, Ferrovial contributes significantly to the achievement of SDG 6 through its Social Infrastructure Program. Since 2011, the program has been promoting projects that develop infrastructure to improve access to water and sanitation in vulnerable communities in Latin America, Asia and Africa.

- Ferrovial has implemented global best practices on ethics and integrity, including the following policies³³, which apply both for all of Ferrovial’s employees and across Ferrovial’s entire supply chain:
 - Crime Prevention Model
 - Anti-trust and competition policy
 - Due diligence procedure for ethical integrity of third parties
 - Lobbying and Political Advocacy policy
 - Gifts and Representation Expenses policy
 - Ethical Mailbox and Enquiries, Claims and complaints policy
 - Procedure for the approval and monitoring of sponsorship, patronage or donation projects.

- Integration of ESG principles across the supply chain, including due diligence procedures for ethical integrity of suppliers.

³ <https://www.ferrovial.com/en/ir-shareholders/corporate-governance/corporate-policies/>

A DEEPER LOOK INTO CLIMATE ACTION: THE CORNERSTONE OF THE SUSTAINABILITY STRATEGY

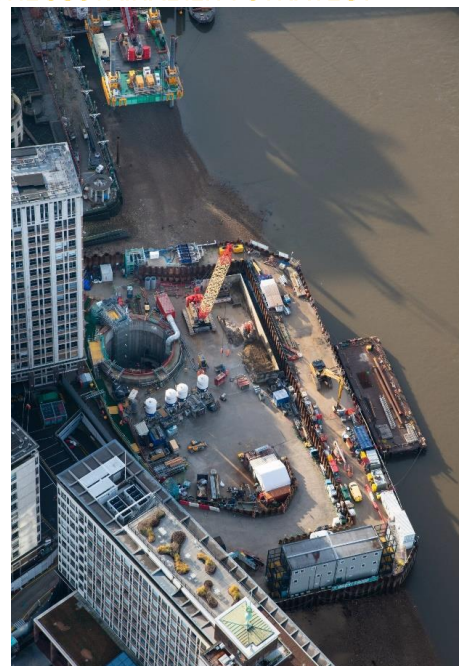
Climate Strategy is one of the cornerstones of Ferrovial's business and sustainability strategies. In terms of mitigation, the company deploys a challenging roadmap ("Deep Decarbonization Path"⁴) including strong emission reduction targets, climate neutrality commitment by 2050 and renewable sourcing in the energy mix of the Group.

At the same time, the company is also developing new lines of business (energy, water, mobility) aimed at achieving decarbonization of the economy and combating the effects of climate change. In this regard, Ferrovial is now a strategic partner for companies looking to mitigate emissions and adapt to the effects of climate change, providing solutions through its "low carbon" business models.

Ferrovial provides innovative solutions to mitigate emissions that are associated with mobility. The company offers adaptation solutions that reduce material physical climate risks related to its activity. These solutions consider the connectivity between infrastructures, vehicles, and users, shared vehicles, and transportation electrification. They aim to reduce traffic and pollution in cities. These solutions include:

- **Managed Lanes:** These have proven to be the most efficient and sustainable way to respond to the growing demand for urban mobility in an easy, fast and efficient manner. The use of toll rates helps to manage demand and reduce congestion while also offering incentives for vehicle sharing. The company is looking into including in its toll policy aspects that promote the use of more energy-efficient vehicles.
- **Vertiports:** Plans are underway to implement a network of more than 25 vertiports in the United Kingdom and another additional network of around 10 in Florida (United States). The aim is to design, build and operate the infrastructures needed by electric vertical takeoff and landing (eVTOL) aircraft. Vertiports are key to Urban Air Mobility, facilitating the movement of people and goods more quickly and efficiently. Vertiports will use sunlight and natural elements to create an energy-efficient infrastructure. External energy will come from environmentally friendly sources, allowing for zero carbon emissions.

The company also provides comprehensive solutions for developing, building, and managing energy infrastructures. The Energy Infrastructure and Mobility division was created to reinforce this line of action. There are currently 408 km of electrical power lines in operation and 518 km under construction which enable renewable energy to be injected into the Chilean electrical grid.





Regarding the SBTi Scope 3 target, more than two thirds of the emissions are targeted (20% emissions reduction by 2030, compared to 2012 as base-year), which fall across the following Scope 3 categories: investments, use of sold products, upstream transportation and distribution, waste generated in operations, fuel and energy related activities (not included in Scope 1 and 2), end of life treatment of sold products, upstream leased assets, business travel, employee commuting. Ferrovial is actively addressing its emissions from use of sold products through the development of new lines of business as described above.

Ferrovial addresses the emissions from the investments' Scope 3 category mainly through the following actions:

- Supporting and fostering energy transition in both toll roads and airports infrastructures (both in the category "Investments" when there is no full control). E.g. Improvements in alternative fuel infrastructure (e.g. SAF infrastructure in airports, or fostering electrification of toll roads)
- Introducing innovative IT systems that help to reduce emissions of road transport (i.e. Managed Lanes), in terms of emissions per vehicle/mile travelled

Additionally, the company proposes to their partners to consider adaptive fees in toll roads for low/zero-emissions cars. Last but not least, trends on energy transition in vehicle fleets using Ferrovial's infrastructures worldwide will help to reduce the carbon footprint of those assets.

The categories that are not included in the SBTi Scope 3 target are the purchased goods and services and capital goods categories because at the time of target setting they were considered as less than one third of total Scope 3 emissions. In 2023, following some changes in the Group's portfolio of activities, Ferrovial set targets for these Scope 3 categories, as they now constitute at least 42%⁴ of Ferrovial overall Scope 3 emissions.

Since 2012, the Company has been disclosing a report⁵ on its climate strategy each year, verified by an independent body in accordance with the ISAE 3410 auditing standard. This report contains: (i) the evolution of greenhouse gas emissions (carbon footprint) with respect to the levels envisaged in the group's Emissions Reduction

⁴ <https://static.ferrovial.com/wp-content/uploads/2020/04/13125105/plan-descarbonizacion-2030.pdf>

⁵ <https://www.ferrovial.com/wp-content/uploads/2021/05/climate-strategy-2021-ferrovial.pdf>

Plan; and (ii) the actions to be taken to achieve the targets in 2030 and 2050.

The company considers that the achievement of emission reduction targets, as included in the Climate Strategy, contributes to the creation of long-term value. Therefore, the Board of Directors considers it was appropriate to increase shareholder involvement in the definition and monitoring of this strategy. This is the reason why Ferrovial has been the first Ibex35 company to bring and approve (under a consultative basis) its Greenhouse Gas Emissions Reduction Plan (Deep Decarbonization Path) for the 2030 and 2050 horizons at the General Shareholders' Meeting⁶.

Furthermore, the company follows the recommendations of the Taskforce for Climate related Financial Disclosures (TCFD) in its Integrated Annual Report. Ferrovial periodically performs an analysis and quantification of the risks and opportunities related to climate change in all its businesses and geographies.

Ferrovial is currently working on developing a Global Adaptation Plan focused on measuring physical climate risks, and monetizing impacts on both existing and future assets worldwide, in order to design and implement technical solutions aimed to increase significantly the resilience of the portfolio. The scheme and IT tools are currently being implemented across the business portfolio and major infrastructure assets. The project has been developed in partnership with the University of Cantabria and the Institute of Environmental Hydraulics.



⁶ Ferrovial is listed in the Say on Climate investors initiative and has been pioneer in its sectors of activity. <https://sayonclimate.org/supporters/>

1.3. SUSTAINABILITY GOVERNANCE AT FERROVIAL

The Company's Board of Directors has approved the Sustainability Policy and supervises its deployment through the Sustainability Strategy and the degree of progress in the actions deriving from it. Periodically, and at least annually, the Sustainability Director reports to the Board of Directors on the progress of the Strategy and the level of compliance with the targets, as well as on the progress of the most representative projects or actions in this area.

At least every four months, the Ferrovial Group Management Committee (led by Group CEO) carries out detailed monitoring of the deployment of the Policy and the level of compliance with the targets, as well as the execution of relevant sustainability projects.

Ferrovial Group's Sustainability Steering Committee is the body that executes the Sustainability Strategy and is responsible, among other issues, for its design and implementation, monitoring the degree of compliance with the targets, activating specific working groups on particular issues arising from this Policy and its Strategy, as well as the analysis, assessment and implementation of measures arising from regulatory trends that may affect Ferrovial's activity. The Committee meets every six months, under the chairmanship of the Group's Sustainability Director, and is made up of representatives of the corporate divisions involved in sustainability matters, as well as the business areas.

The composition of the Steering Committee includes all staff departments with responsibilities on sustainability issues (i.e. Health & Safety, Compliance, Innovation, Human Resources, Investor Relations, Communication and CSR, General Counsel's Office, Corporate Strategy), as well as senior representatives from every one of the business areas.

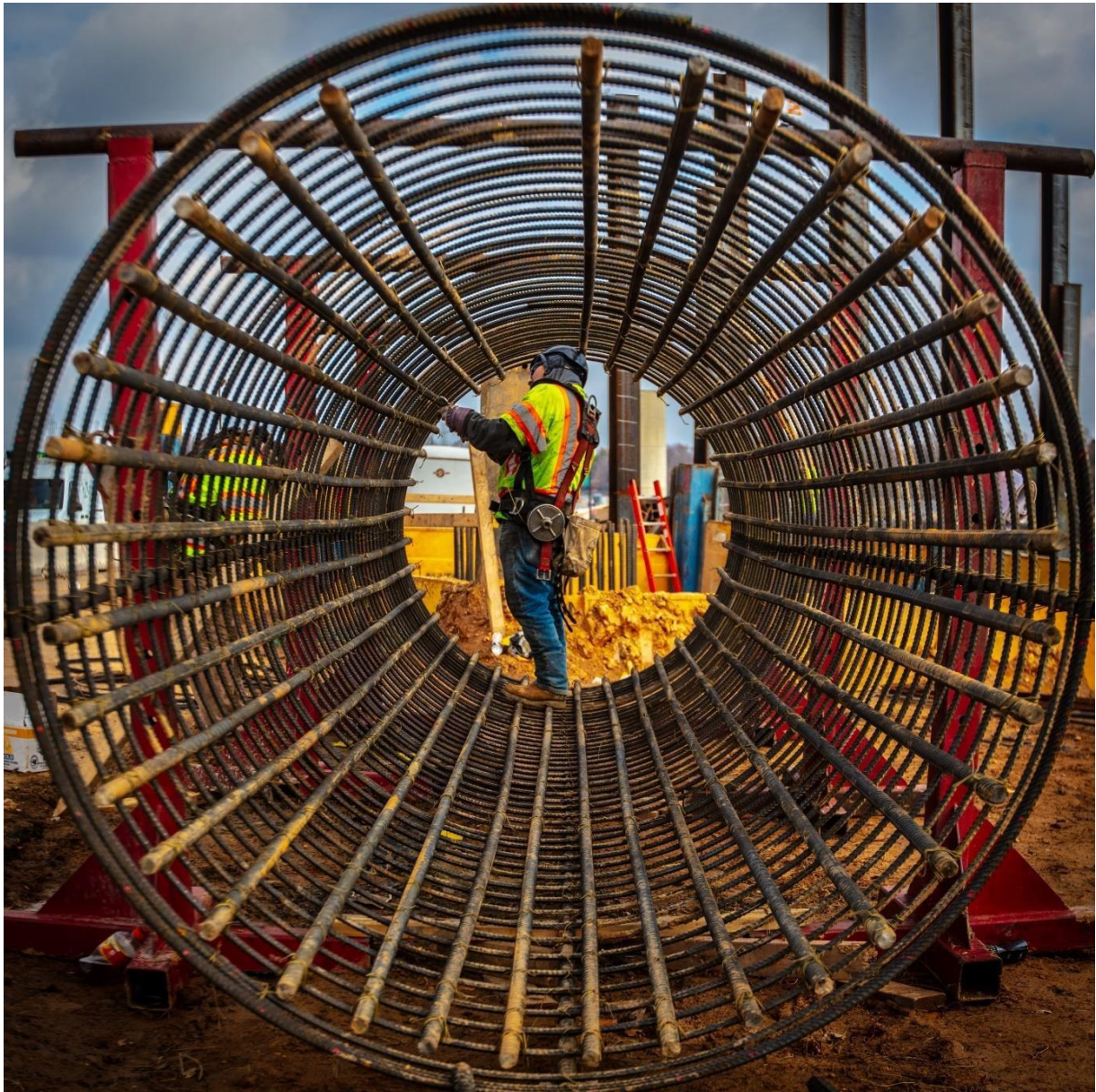
Last, but not least, every year the Internal Audit Department monitors the traceability and reliability of the information derived from this Policy and its Strategy, applying the usual audit procedures.

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1.4. RATIONALE FOR A SUSTAINABILITY-LINKED FINANCING FRAMEWORK

Recognizing the role of sustainable finance in supporting the transition to a low-carbon and more efficient economy in the use of resources, Ferrovial has decided to implement a Sustainability-Linked Financing Framework to connect its future financings with its sustainability goals, taking advantage of ambitious actions that are relevant, fundamental and substantial to its business in order to achieve sustainable performance and contribute to the future of our planet and generations to come.

Ferrovial firmly believes that sustainable finance will allow the company to associate with its stakeholders through long-term environmental and social commitments. Firstly, supporting its own efforts and ambitions and secondly helping investors to diversify their investments with Sustainable assets. Ferrovial now intends to continue its path in sustainable financing by entering the debt capital markets, which may include bonds, private placements, loans and any other financial instrument linked to Sustainability.



2. FERROVIAL'S SUSTAINABILITY LINKED FINANCING FRAMEWORK

Ferrovial has chosen three Key Performance Indicators (KPIs) that are relevant, core and material to Ferrovial's overall business and of high strategic significance to the Group's current and/or future operations. Ferrovial has selected these three KPIs as it believes they are perfectly aligned with its strategy and the main sustainability issues in the Construction and Infrastructure sector. For each of these KPIs, Ferrovial has set innovative and ambitious Sustainability Performance Targets (SPTs), setting new standards and driving the climate transition across the industry.

Ferrovial's Sustainability-Linked Financing Framework (the "Framework") is aligned with the ICMA's Sustainability-Linked Bond Principles (SLBP) 2023⁷ and to the LMA's Sustainability-Linked Loan Principles (SLLP) 2023⁸.

June 2024 update: This Framework, dated June 2024, is an updated version of Ferrovial's Sustainability Linked Financing Framework August 2023. The key updates are detailed in section 2.2. CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS (SPTs), summarizing them below:

- Baseline figure for KPI 1 (Scope 1 and 2 absolute GHG emissions) have been updated in line with the actual emissions data Ferrovial received in 2023 for the first time in respect of three of its companies. These changes impact the baseline by more than 5%, hence the requirement to leverage the recalculation policy and update the Framework.
- In-line with this new information, the historical figures for 2021-2023 and the expected figures for absolute emissions in 2028 and 2030 target years have also been updated.
- As this is a material change, the updated Framework has also been reviewed by DNV who have provided a refreshed SPO.

The following five components form the basis of Ferrovial's Framework:

1. Selection of key performance indicators (KPIs);
2. Calibration of sustainability performance targets (SPTs);
3. Characteristics of Sustainability-Linked Instruments;
4. Reporting; and
5. Verification

This Framework covers, amongst others, the following sustainable financing instruments:

- Sustainability-Linked Bonds
- Sustainability-Linked Loans
- Sustainability-Linked Private Placements
- Sustainability-Linked Foreign Exchange Derivatives
- Sustainability-Linked Rates Derivatives
- Sustainability-Linked Guarantees
- Sustainability Target Euro-Commercial Paper Programme

⁷ SLBP 2023: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Sustainability-Linked-Bond-Principles-June-2023-220623.pdf>

⁸ SLLP 2023: <https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/>



2.1. SELECTION OF KEY PERFORMANCE INDICATORS (KPIs)

Ferrovial has identified three KPIs to be used in potential sustainable financings. One or more KPIs will be selected for any sustainable financing, and this will be specified in the relevant instrument's specific documentation, as applicable.

2.1.1. SCOPE 1&2 GHG EMISSIONS

KPI1: REDUCTION IN ABSOLUTE SCOPE 1&2 GHG EMISSIONS

DEFINITION AND SCOPE

Ferrovial establishes Greenhouse Gas (GHG) emission reduction targets in the absolute combined amount quantity of emissions deriving from sources directly controlled by the Group (Scope 1) as well as emissions from sources not directly controlled by the Group associated with the generation of electricity imported into and consumed by the Group (Scope 2). The calculation, regarding the KPI, covers the entirety of Scope 1 and 2 emissions, involving 100% of the companies over which Ferrovial has operational control.

METHODOLOGY

Since 2009, Ferrovial has been measuring 100% of its scope 1 and 2 GHG emissions generated by its activities worldwide and 2009 was set as the baseline year. The calculation methodology is mainly based on the GHG Protocol (WRI⁹ & WBCSD¹⁰) as it is the most widely accepted at an international level, while complying with ISO14064-1.

However, other methodologies have been used to take into account specific business aspects, e.g. the DEFRA¹¹ and DECC methodologies for UK operations.

The calculation considers operational control as an organizational boundary. Under this approach, a company accounts for emissions from those sources over which it has full authority to introduce and implement its operational policies, regardless of its shareholding in the company.

The GHG emissions generated by Ferrovial's activities are classified as follows:

- Direct emissions (Scope 1). Those from sources owned or controlled by the company. They come from:
 - Combustion of fuels in stationary equipment (boilers, furnaces, turbines etc.) to produce

⁹ World Resources Institute (WRI): <https://www.wri.org/>

¹⁰ World Business Council for Sustainable Development (WBCSD): <https://www.wbcsd.org/>

¹¹ www.defra.gov.uk/environment/economy/business-efficiency/reporting/

- electricity, heat or steam.
 - Channeled emissions, i.e. GHG emissions generated through a source, excluding those from fuel combustion.
 - Fuel combustion in vehicles owned or controlled by the company.
 - Fugitive emissions. Coolants.
 - Direct emissions from industrial assets (e.g. asphalt manufacturing, waste treatment facilities, incineration plants or landfills).
- Indirect emissions (Scope 2). Generated as a result of the consumption of electricity purchased from other companies that produce or control it. The “GHG Protocol Scope 2 Guidance” published in January 2015 and the “Market based” method instead of the “Local based” method has been followed. “Market based” considers the supplier’s energy mix and “Local based” takes into account the country’s energy mix.

RATIONALE

Climate change continues to represent the main environmental challenge facing humanity today and requires urgent action in terms of mitigation and the adaptation of infrastructures to curb its consequences. The global trend towards a low-carbon economy is directing investment and financing towards businesses that help combat climate change and meet the goals of the Paris agreement.

The construction and infrastructure activities require high energy consumption and have a consequent environmental impact. Ferrovial is aware of this and has established its sustainability strategy including indicators, targets and regular monitoring to minimize the negative impact and instead enhance the positive impact on the environment. The main indicator is the carbon footprint and the SBTi approved emissions reduction targets. The company considers that the achievement of emission reduction targets contributes to the creation of long-term value. In 2017, Ferrovial became the first company within its sector to set SBTi targets and it is also the first company in the sector to cover all Scope 1, 2 and 3 emissions in its target setting. These targets are in line with a 2°C trajectory by 2030.

One of the key focus areas of Ferrovial’s Deep Decarbonization Path is the reduction of GHG emissions coming from own sources and from the use of electricity, where Ferrovial is committed to the implementation of energy efficiency measures and the use of electricity from renewable sources.

In order to show Ferrovial’s clear commitment towards reducing emissions from its operations, the Company has decided to keep the KPI in absolute value basis, in spite of Ferrovial’s ongoing business growth associated with Ferrovial’s Horizon 24 Strategic Plan, which could drive to an organic increase of emissions from Scope 1&2 from several sources (mainly related to construction activities).

2.1.2. SCOPE 3 GHG EMISSIONS

KPI2: REDUCTION IN ABSOLUTE SCOPE 3 GHG EMISSIONS

DEFINITION AND SCOPE

Ferrovial publicly reports on 11 Scope 3 emissions categories applicable to its sector, and the present KPI encompasses the following 3 categories, which represent at least 42%¹² of Ferrovial's total Scope 3 emissions¹³:

- Purchased goods and services (counting for 26% of total Scope 3 emissions)
- Upstream transportation and distribution (counting for 13% of total Scope 3 emissions)
- Waste generated in operations (counting for 3% of total Scope 3 emissions)

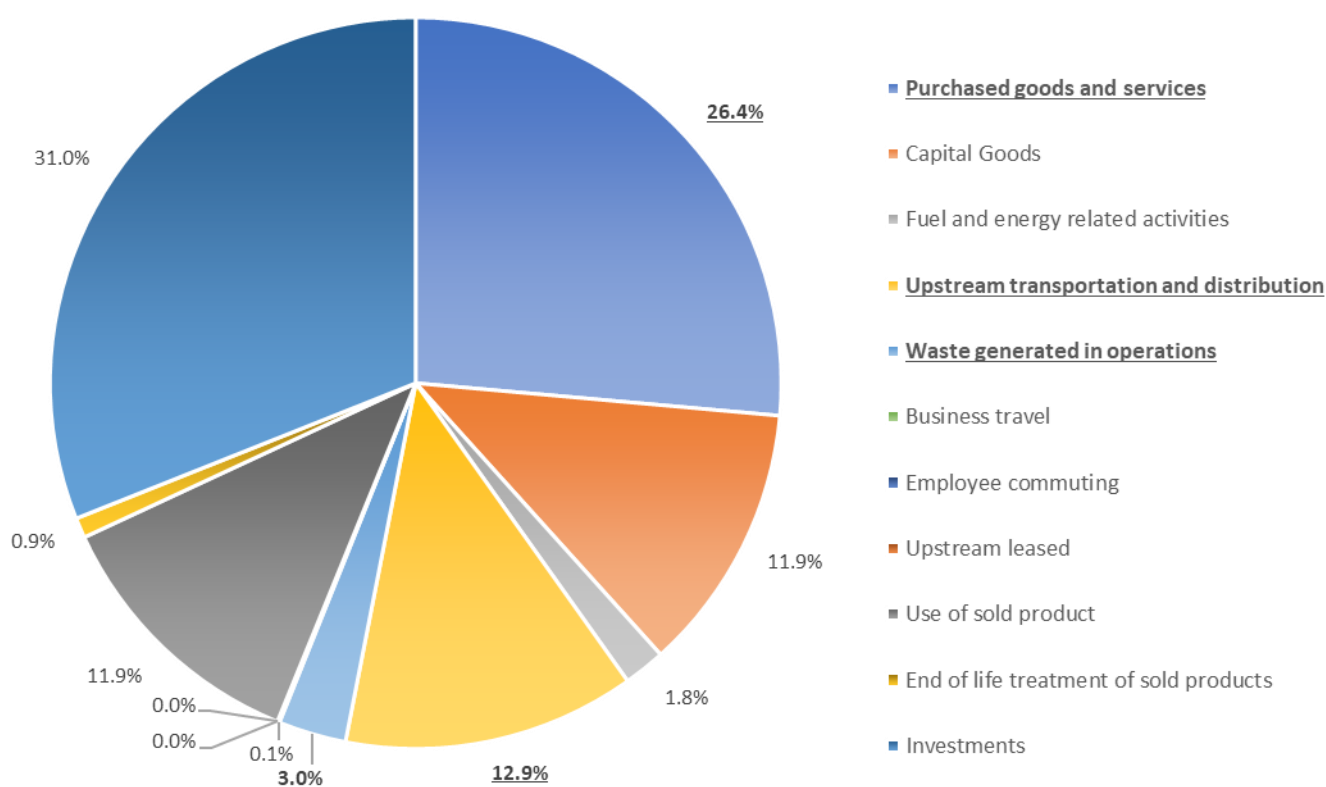


Illustration of the Scope 3 categories selected for the KPI (calculated as an average 2020-22)

METHODOLOGY

Ferrovial calculates all Scope 3 emissions following the guidelines set out in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the GHG Protocol Initiative, the WRI and the WBCSD. Ferrovial calculates 11 of the 15 categories included in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard document.

Below is the detail of the calculations related to each Scope 3 emissions category that is part of the defined KPI:

¹² Calculated as the average of absolute emissions in the period 2020-22

¹³ It is important to note that this KPI is only a portion of Ferrovial's public SBTi scope 3 emissions reduction target, which was set excluding Purchased goods and services and Capital goods categories as when the SBT target validation process was undertaken in 2017, the emissions associated with the Purchased Goods and Services and Capital Goods categories in the base year represented less than one third of Scope 3 emissions.

PURCHASED GOODS AND SERVICES

It accounts for emissions related to the extraction, production, and transportation of goods and services purchased or acquired by the company in the year.

The emissions from this section are calculated mainly on the basis of the DEFRA emissions factors, when specific information about the suppliers and their products or services is not available. Such factors involve emissions related to materials purchased by Ferrovial and used in products or services offered by the company. These include emissions from the different life-cycle phases: extraction, pre-processing, manufacturing and transport. The end-use phase is excluded.

Since these emission factors include the transportation phase, and so as to avoid double-counting, emissions obtained under the heading for “Upstream transportation and distribution” are subtracted from those obtained by applying the DEFRA factors in this category.

The calculation covers the most significant materials from an environmental and procurement volume standpoint:

- Timber
- Paper
- Steel
- Asphalt
- Concrete
- Water

UPSTREAM TRANSPORTATION AND DISTRIBUTION:

Includes emissions from transport and distribution of products reported in the Purchased good and services category. The GHG Protocol sheet is used for the calculation. The information required to calculate this category is:

- Quantity of the most relevant products and materials from the environmental point of view.
- Origin of materials and quantity purchased in each country
- Type of transport used.
- Distance.

WASTE GENERATED IN OPERATIONS

The emissions in this section are related to the waste generated by the company’s activity that has been reported during the year. A Defra conversion factor is applied to each of the quantities of these wastes. This section includes:

- Construction and demolition waste.
- Non-Hazardous Waste: Recyclable urban, wood, vegetable waste.
- Hazardous Waste.
- Excavated soils taken to landfill.

RATIONALE

The Company is aware about the significant amount of GHG emissions that are involved throughout its value chain, counting for 9.6 times the Scope 1&2 emissions¹⁴. Although some of the categories included in the Scope 3 are difficult to manage because being out of Ferrovial's control (e.g. emissions for traffic, passengers and users of assets controlled –“Use of sold products”- or not controlled by the Company – “Investments”-), there are other significant categories where Ferrovial has more chance to influence and foster emissions reduction.

This involves particularly the three categories selected to take part in the KPI 2, gathering at least 42% of total emissions in the Scope 3 as mentioned previously.

By fostering the emissions reduction in those categories, the Company influences indirectly in a significant number of other companies that are part of the supply chain (currently more than 40,000 suppliers just in the Construction business unit), including the transportation and distribution of products and raw materials. This way, Ferrovial goes beyond its own emissions and becomes a relevant actor in the decarbonization of several industry sectors.

Ferrovial has decided to keep the KPI in absolute value basis in spite of Ferrovial's ongoing business growth associated with Ferrovial's Horizon 24 Strategic Plan (detailed below), that is expected to lead to an increase in Scope 3 (indirect) emissions, in order to show Ferrovial's clear commitment towards reducing emissions across its value chain.

2.1.3. SERIOUS INJURY AND FATALITY FREQUENCY RATE

KPI 3: REDUCTION OF THE SERIOUS INJURY AND FATALITY FREQUENCY RATE (SIF-FR)

DEFINITION AND SCOPE

The KPI proposed is the “Reduction of the Serious Injury and Fatality Frequency Rate (SIF-FR)”.
Scope: Ferrovial employees and contractors for Ferrovial and its subsidiaries (except airports).

METHODOLOGY

There is no internationally recognized standard to calculate HSW (Health, Safety and Wellbeing) KPIs, as they are usually linked to every jurisdiction's legislation. For this reason, Ferrovial has defined a methodology to calculate a homogeneous global rate, so it is able to set forth and calculate a global HSW KPI.

The KPI is calculated as:

$$SIF - FR = \frac{No. Serious and Fatal injuries}{Total Hours Worked} \times 1,000,000$$

(Number of Serious Injuries & Fatalities)*1,000,000/Nº hours worked, meaning the number of serious injuries and fatal accidents per 1,000,000 hours worked and being:

- *Fatality*: any incident that results in the death of the worker related to Ferrovial activities or projects.
- *Serious Injuries*: a fracture, except to fingers or toes; amputation; loss of sight; hospitalization of over one day; loss of consciousness due to inhaling, ingestion or absorbing dangerous substances or biological agents, if there is hospitalization of over one day.

¹⁴ According to the audited figures from 2022 fiscal year scope 3 total emissions were 3,995,293 tCO₂e, which constituted 90.6% of the total emissions for Ferrovial for the year (<https://www.ferrovial.com/en-gb/sustainability/environment/carbon-footprint/reducing-emissions/>)

- *Hours worked*: number of hours worked during the period of calculations.

RATIONALE

One of the key groups, if not the most important, in the stakeholder model for a company is employees. In all countries, the health and safety of the employees is either included within the country labor law or/and a specific health and safety law has been developed, but in both cases the employees have the right to a safe and healthy working environment and makes it mandatory that businesses provide a safe workplace for their employees. Out of these laws also came the country administration which sets standards and conducts reviews of workplace safety.

While workplace safety may have originally been pursued by companies to meet governmental guidelines, every year, thousands of employees are affected in the workplace on the job so, today companies take employee safety seriously and it is recognized as a competitive advantage and a key piece of the ESG strategy, because the cost of creating a workplace where employees can work safely is nothing compared with the cost of human lives.

In addition, the Sustainability Materiality Matrix within the registry of sustainability link bonus KPIs from ICMA considers Occupational Health and Safety as “Most Material” within the Social KPIS for Construction and Energy sectors and “Material” for Aviation and Transport, all of them sectors where Ferrovial works.

Health, Safety and Wellbeing (HSW) is not just a key element for Ferrovial’s Horizon 24 Strategic Plan, but it is part of Ferrovial’s DNA.

Ferrovial approved Plan Horizon 24, a strategy for the 2020-2024 period that places the company's primary focus on the promotion, construction and management of sustainable infrastructure. The goal is to seek excellence in the development and management of sustainable infrastructure through innovation, efficiency and the selection of businesses and markets.

Ferrovial will focus its activity on its main geographies: United States, Canada, United Kingdom, Spain, Poland, while studying entry opportunities in new selective countries. The plan is firmly committed to disruptive and incremental innovation and for a Health & Safety culture.

Ferrovial has shown its commitment to the HSW of its employees and stakeholders for a long time, not only by including it as a key element of its corporate strategy Horizon 24, but also given that the Health & Safety department is the only department that presents its information, evolution and actions at all meetings of the Board of Directors and Executive Committees of the Ferrovial Group and, once per month, at the Management Committees (Corporate and BUs). It is also the first department reporting at all these meetings.

As part of this commitment, the current HSW Strategy 20-24 of Ferrovial was approved by the Board of Directors in December 2019 and has been extended through 2026, establishing the path to achieve the company's objectives, with special emphasis on reducing the number of serious and fatal accidents. The vision of the HSW Strategy is to create safe, harm free workplaces and operations for everyone, every day. To be able to achieve this vision, the strategy has defined 4 pillars:

- Leadership
- Competence
- Resilience
- Engagement

This Organizational approach with those pillars has been extended following an assessment and adjustment to adapt it to the changes that have arisen in the company since its approval, adding an Operational approach based on three layers of protection:

- i. Planning and preparation.

- ii. Control and verification.
- iii. Competence and awareness.

A line of action and leading indicators have been defined for each one of the pillars, together with a lagging indicator, the SIF-FR.

The HSW Strategy is implemented through Annual Strategic Action Plans, that set the actions and targets for the KPIs defined for the year. These Annual Strategic Action Plans are also approved by the Board of Directors.

Those KPIs are measured, reviewed and reported quarterly, but the SIF-FR is reviewed and reported monthly to the Management Committees and Executive Committees and at all Board of Directors meetings.

For all of this, Ferrovial considers the reduction of Serious Injury and Fatality Frequency Rate (SIF-FR) as a key and material KPI as it is the focus of its HSW Strategy 20-24 and its global Sustainability Strategy and the one included in the Horizon 24 Strategic Plan and the target set is ambitious and challenging as, given the evolution of Ferrovial (see the graphs in section 2.2.3 SPT 3 below).

2.2. CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS (SPTs)

All Sustainability Performance Targets are fully aligned to Ferrovial's sustainability strategy published in Ferrovial's integrated report¹⁵. The targets reflect Ferrovial's high level of ambition and long-term aim to contribute to relevant global sustainable development goals.

For each Sustainability-Linked Instrument issued under this Framework, the applicable SPTs and the dates at which compliance with the SPT will be assessed (the Target Observation Date(s)) will be detailed in the relevant instrument's specific documentation (e.g., Final Terms/Terms and Conditions of any Sustainability Linked Bond or similar instruments or Facility Agreement of any Sustainability-Linked Loan).

As described below, Ferrovial set 2025 and 2030 GHG emissions reduction targets that were validated by SBTi across all the emissions scopes, and that may be used as SPTs. The targets were set on an absolute basis instead of intensity format to show Ferrovial's clear commitment towards reducing emissions from its business activities. The targets were set before the publication of Ferrovial's Horizon 24 Strategic Plan¹⁶, which outlines Ferrovial's strategy for the 2020-2024 period that places the company's primary focus on the promotion, construction and management of sustainable infrastructure and targeting an annual growth of 11% of the Ferrovial's EBITDA. Ferrovial has decided to maintain their initial value in spite of Ferrovial's ongoing business growth associated with this plan, that is expected to lead to an increase in GHG emissions.

For instance, as part of the strategic plan's sustainable growth priority, Ferrovial will develop and operate infrastructures not only on its core markets (US, Canada, Spain, UK and Poland), but also expand in other regions such as India, Australia and other selected countries in Latam and Europe:

- In Toll Roads, Ferrovial continues developing greenfield traffic-risk projects (with a focus on managed lanes in North America) while proactively generating pipeline and bidding for other strategic projects. The Horizon 24 Strategic Plan identifies a potential pipeline worth 10 billion euros for Cintra over the next five years. Outside the United States, it will consider opportunities in countries such as Canada, Spain, Poland, the United Kingdom, Chile, Colombia, and Peru, along with new geographies in Asia and Latin America. For example, Ferrovial recently acquired a 24.86% stake

¹⁵ Also available on the web: <https://www.ferrovial.com/en/sustainability/corporate-social-responsibility/csr-plan/>

¹⁶ Ferrovial Horizon 24 Strategic Plan 2020-2024:

<https://static.ferrovial.com/wp-content/uploads/2020/01/13130300/200122-planfer-2024-media-3ppt.pdf>

in IRB Infrastructure, a leading toll road developer and operator in the Indian market, as Ferrovial sees great opportunities for growth in India, given the volume of concession projects. Additionally, in November 2022 Ferrovial increased its stake in the North Carolina I-77 Managed Lanes project to 72.24%, highlighting the company's focus on the development of sustainable infrastructure with projects of high concession value in North America.

- In Airports, Ferrovial will protect the value of assets in its portfolio as the air travel sector recovers gradually, and develop selective opportunities for growth, establishing relationships with stakeholders to reinforce competitiveness. The Airports division continues to seek opportunities and is developing the creation of a network of vertiports in the United States and the United Kingdom, which represent a step forward in achieving sustainable infrastructure for air mobility. In July 2022, Ferrovial acquired from Turkish infrastructure company YDA Group a 60% stake in the company that manages the Dalaman International Airport concession, in Turkey.
- In Energy Infrastructure, Ferrovial will develop greenfield projects in transmission lines and renewables, leveraging internal industrial capabilities, and rotate assets to increase returns and recycle equity. For instance, Ferrovial has started the construction of the "Centella" project, which consists of a transmission line of approximately 250 km long that will connect the Nueva Pan de Azúcar, Punta Sierra and Nueva los Pelambres substations, in Chile, increasing the connection of new renewable power plants in the region.
- In Construction, Ferrovial will support concession business while focusing on profitability and risk management, as well as reinforce competitiveness through advanced technical solutions and developing relationships with stakeholders, partners and clients in core geographies.
- Ferrovial will explore opportunities in other sustainable infrastructure related sectors, such as water, mobility and vertiports. For instance, in Texas, pipeline growth in water treatment projects is expected through 2022.

Therefore, it is a strategic effort for Ferrovial's strategy to expand its business operations in the key and diverse aforementioned regions such as India and Latam, where managing absolute GHG emissions can become a larger challenge due to the nature of the local infrastructure and the potential challenges in accessing cleaner solutions. Achieving the initial absolute GHG emissions reduction targets entails significant efforts from Ferrovial, that will need to mitigate the additional emissions deriving from the new operations/businesses.

Additionally, the level of GHG emissions observed in recent years does not encompass Ferrovial's business expansion and was also negatively impacted by major factors described below.

2.2.1. SPT 1

- **SPT 1.1: REDUCE ABSOLUTE SCOPE 1&2 EMISSIONS BY 31.9% BY 2028 FROM 2009 AS BASE YEAR**
- **SPT 1.2: REDUCE ABSOLUTE SCOPE 1&2 EMISSIONS BY 35.3% BY 2030 FROM 2009 AS BASE YEAR**

CALIBRATION OF THE TARGET AND KPI 1 PAST PERFORMANCE¹⁷

¹⁷ Figures updated in line with the changes outlined below.

NAME	BASELINE	2021	2022	2023	2023 (non-adjusted) ¹⁸	2028E	2030E
	YEAR (2009)						
KPI1: REDUCE SCOPE 1 AND 2 GHG EMISSIONS	601,893 tCO2e	476,692 tCO2e -20.8%	461,556 tCO2e -23.4%	327,574 tCO2e -45.6%	401,926 tCO2e -33.2%	409,660 tCO2e -31.9%	389,425 tCO2e -35.3%

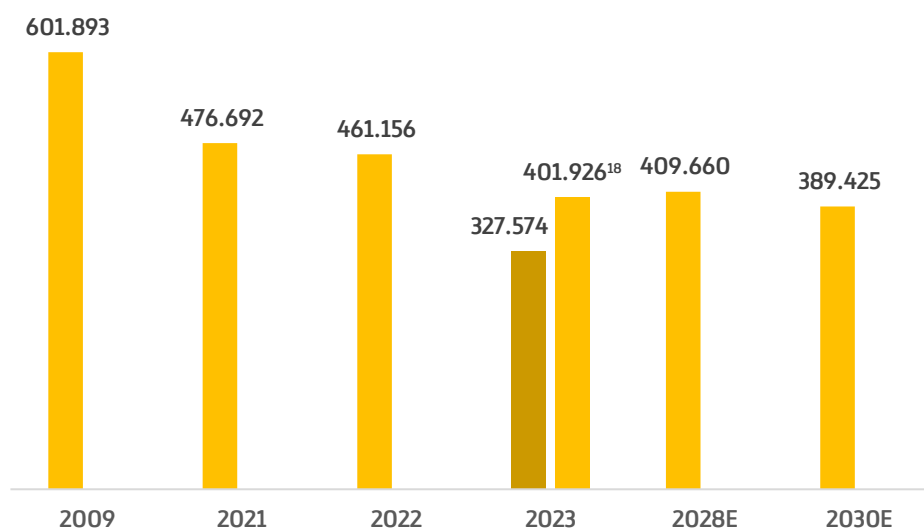
Ferrovial was the first company in its sector worldwide to set and have its emissions reduction targets endorsed and approved by the Science Based Target initiative (SBTi) in 2017 as being on a 2° trajectory. Currently, Ferrovial is working with SBTi to verify this target for a 1.5C scenario and is committed to doing so. The targets are also aligned with the following UN Sustainable Development Goal (SDG):

SDG 13: CLIMATE ACTION

Ferrovial considers the absolute targets endorsed by SBTi and its pathway and are therefore in line with the ambition that Ferrovial has globally for climate action. Although in recent years Ferrovial has been achieving emission reductions higher than those required by SBTi, the growth of the business and the type of projects (large civil construction works, road infrastructures, etc.) and the construction phase in which these projects are (e.g. higher consumption of fossil fuels in the earthmoving phase) may have an impact on the company's carbon footprint. Ferrovial is therefore adopting measures and initiatives to decarbonize the business and achieve the targets set by SBTi. Interim targets have been set on a linear trajectory.

SCOPE 1&2 ABSOLUTE EMISSIONS (in tCO2e)

¹⁸ The emissions reduction performance in 2023 (vs 2009 baseline) that is not adjusted to reflect the effect of change in ownership of Allerton waste treatment facility as Ferrovial divested its equity stake (thus still encompassing Allerton facility's emissions) was -33.2%, corresponding to 401,926 tCO2e of absolute emissions in 2023. This has been externally audited within Ferrovial's 2023 Integrated Annual Report. Ferrovial will continue operating the plant.



June 2024 update: In 2023, for the first time, Ferrovial has the actual emissions data in respect of three companies: one part of Webber in the USA and another two parts of Budimex in Poland. The first one does road maintenance and the second and third one does a mix of waste collection, street maintenance, operating 2 landfill sites (with little organic waste so limited emissions) and steel moulding. Therefore, data for the base year 2009 has been restated to match the organization's perimeter at the end of 2023 as the impact on baseline was around +8.4% (higher than 5%, triggering Ferrovial's recalculation policy).

Scope 1&2 absolute emissions reduced by 33%¹⁹ in 2023 compared to the base year 2009. This outperformance is due to changes in the timing and phase of major civil works and one of our subsidiaries, Budimex, getting closer to a 100% renewable target. As of 2023 it achieved 61% of renewable energy sourcing (via consumption, self-procurement and guarantees of origin), up from 5% in 2022.

Although this leads to outperformance against the existing SPTs, these are still absolute reduction targets that come with an organic growth strategy for Ferrovial and the cyclical nature of business, meaning there is still challenge in keeping performance at the low emission rates as the business emissions evolve in line with new opportunities.

The reduction vs.2009 as baseline year of the SPT for 2024 and 2025 is expected to be 25.21% and 26.9%, respectively.

STRATEGIES TO ACHIEVE THE SPTS

Ferrovial is taking the following actions to reduce its Scope 1 and 2 emissions:

ACTION	DESCRIPTION	ESTIMATED RELATIVE CONTRIBUTION TOWARDS TARGET
RENEWABLE ELECTRICITY	Ferrovial commits to consume 100% electricity from renewable sources in 2025	<65%

¹⁹ Excluding the effect of Ferrovial transferring the ownership of the Allerton industrial facility in 2023, that Ferrovial still operates

MOBILES SOURCES	Ferrovial commits to reduce its fleet emissions by 33% in 2030	<15%
ENERGY EFFICIENCY	Implementing measures in the asphalt plants and other works machinery	<20%

POTENTIAL BARRIERS

Ferrovial is working with all its business areas to meet its emissions reduction targets validated by the SBTi. To this end, the company has implemented a package of mitigation measures to address the various market, regulatory and technological risks related to climate change to which it is exposed. Among other risks:

- Lack of availability of low-carbon products, such as concrete and steel, which are key elements in construction and whose manufacture requires a high consumption of fossil fuels.
- High energy prices: Rising energy prices that affect Ferrovial's direct or indirect consumption.
- Carbon pricing mechanisms: linked to emissions trading for both Ferrovial's activities and its value chain.
- Access to clean technology: no availability of low-consumption or "zero emissions" machinery required for the development of Ferrovial's activity.
- Not much visibility of low-carbon technologies and solutions, including Carbon Capture and Storage facilities (CCS), in waste treatment facilities
- Lack of availability of Guarantee of Origin (GO) certificates or renewable sources in some geographies where the Group operates (i.e. LATAM, some States in the USA...)

2.2.2. SPT 2

- **SPT 2.1: REDUCE ABSOLUTE SCOPE 3 GHG EMISSIONS BY 20% BY 2028 FROM 2015 AS BASE YEAR**
- **SPT 2.2: REDUCE ABSOLUTE SCOPE 3 GHG EMISSIONS BY 22.2% BY 2030 FROM 2015 AS BASE YEAR**

CALIBRATION OF THE TARGET AND KPI 2 PAST PERFORMANCE

NAME	BASELINE YEAR (2015)	2016	2017	2018	2019	2020	2021	2022	2023	2028E	2030E
		KPI 2 ²⁰ : REDUCE SCOPE 3 GHG EMISSIONS	2,578,515 tCO ₂ e	2,376,392 tCO ₂ e	1,868,472 tCO ₂ e	1,753,209 tCO ₂ e	1,720,911 tCO ₂ e	1,625,620 tCO ₂ e	1,790,980 tCO ₂ e	1,444,917 tCO ₂ e	1,299,654 tCO ₂ e
		-7.8%	-27.5%	-32%	-33.3%	-37.0%	-30.5%	-44.0%	-49.6%	-20%	-22.2%

SPTs 2.1 and 2.2 ARE ALIGNED WITH A 2°C TRAJECTORY.²¹

The targets are also aligned with the following UN Sustainable Development Goal (SDG):

SDG 13: CLIMATE ACTION

The absolute targets above are aligned with the one endorsed by SBTi and are therefore in line with the ambition that Ferrovial has globally for climate action.

Since the baseline year was established, the reductions have over performed the SBTi trajectory, especially from 2020 to 2022:

- **Progressive recovery of Ferrovial's construction business**, after the crisis of the construction sector which affected Spain and the EU in 2012–13, and had an impact until 2016
- **Type and stage of major projects and civil works (particularly in construction business), impacting positively several categories (“waste generated in operations”, “purchased goods and services”) in terms of emissions reduction²²**. The timing and phase of major civil works have a significant impact on emissions, depending on the stage of the projects – early stages of construction projects are less carbon intensive than final stages (e.g. the final stages of construction of the carpet of a toll road is extremely intensive in terms of emissions due to the manufacturing of asphalt).
- **COVID-19 (2020-2022)**: In several geographies, construction works slowed down due to the reduction in bidding processes, the blocking of the supply chain and the lockdown that affected the mobility of many workers in non-emergency or urgent works. This led to a number of projects being put on hold and therefore business activity was significantly reduced during this period which led to temporary reduction in emissions.

Going forward, the data may appear to look like underperformance against past performance but this is not the

²⁰ Scope according with the categories included in section 2.1.2

²¹ Indeed, the KPI as explained above is an abstract from the entire Scope 3 decarbonization roadmap, which involves all applicable categories. Although SBTi does not allow endorsements for independent categories, in the targets set for this KPI are fully aligned to the 2°C trajectory as they feature the same percentages of reduction as the ones endorsed by SBTi as part of the validation of Ferrovial's Scope 3 emissions reduction targets. Figures according to this statement can be checked out in the Climate Strategy report (available here: <https://www.ferrovial.com/en/sustainability/environment/climate-change/>)

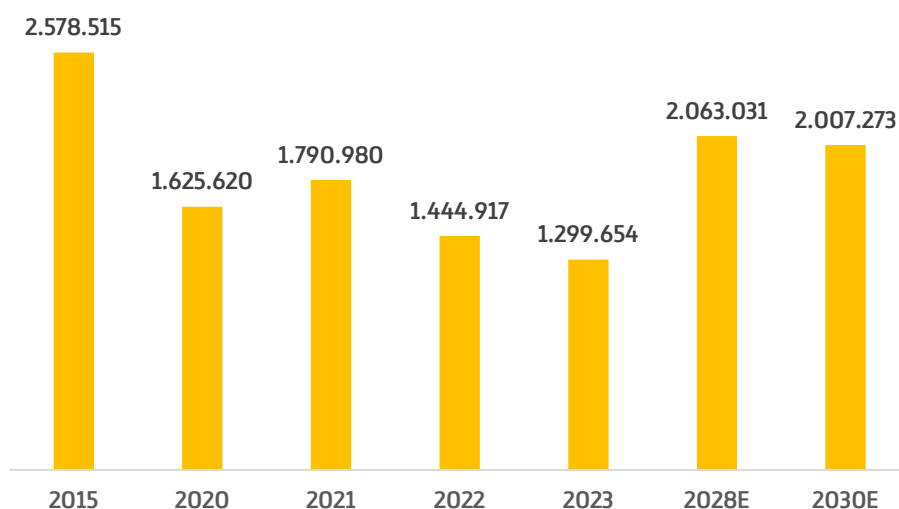
²² The significant reduction in mobility and consequently traffics in Ferrovial's infrastructures and airports, resulting from the COVID-19 situation, has also led to some significant emissions reduction for some other Scope 3 categories that are not encompassed in KPI 2 (investments, use of sold products)

case for two reasons:

- **Ferrovial's continued carbon emissions performance** is in line with the SBTi pathway.
- Ferrovial is now **expecting significant business growth** over the next few years, including for its construction business unit, in various geographies²³. This entails a major increase in supply chain activities (e.g. additional purchase and use of raw materials) which are expected to result in significantly higher levels of upstream Scope 3 GHG emissions, including for the categories encompassed by KPI 2.

We must note the challenges associated with Ferrovial's maintained commitment to reduce its GHG emissions on absolute levels vs the initial baseline, and in line with the SBTi trajectory, while expecting significant business growth.

SCOPE 3 ABSOLUTE EMISSIONS (in tCO₂e) (three categories detailed in section 2.1.2)



²³ Ferrovial expect significant growth in the following geographies over the period 2022-2030, including more than double growth in some of these countries: USA, Canada, Ireland, rest of the world excluding Europe and North America

STRATEGIES TO ACHIEVE THE SPTS

Ferrovial is taking the following actions to reduce its Scope 3 emissions (particularly in the three areas as detailed in section 2.1.2):

ACTION	DESCRIPTION	ESTIMATED RELATIVE CONTRIBUTION TOWARDS TARGET
REDUCTION OF EMISSIONS FROM PURCHASED GOODS AND SERVICES	Improvements in supply chain to reduced embedded carbon	>85%
REDUCTION OF WASTE GENERATED IN OPERATIONS	Implementation of the “Circular Economy Plan” to foster at least 70% recovery and recycling of CDW	<5%
REDUCTION OF EMISSIONS FROM TRANSPORT AND DISTRIBUTION	Reduction of distance of transport to the worksite, particularly in construction activities, and fostering energy transition in modes of transportation	<15%

More specifically, some of the company's lines of action include:

ACTION	DESCRIPTION	BUSINESS UNITS MAINLY IMPACTED
PURCHASED GOODS AND SERVICES	<p>The Company manages proactively the Group’s procurement process with a focus on reducing the embedded carbon across the supply chain, particularly in construction activities, where more than 40,000 suppliers are involved.</p> <p>With this purpose, currently the Group works on the following areas:</p> <ol style="list-style-type: none"> 1. A deeper understanding of carbon emissions rates of goods and services actually purchased by the Company, beyond the general algorithms set by DEFRA (see “Methodology” in section 2.1.2). This action would allow Ferrovial to have more specific and accurate figures, really adapted to its supply chain. 2. Fostering low-carbon products, particularly cement and concrete. The company works already in partnership with some of the most relevant cement suppliers in order to integrate progressively low 	CONSTRUCTION

	<p>carbon cement at industrial scale.</p> <ol style="list-style-type: none"> 3. Developing new raw materials with less carbon embedded, by means of very innovative approaches and forefront technologies. E.g. reducing the carbon embedded in modified asphaltic bitumen by introducing recycled materials (e.g. plastics from agricultural greenhouses, rubber from tyres...) 4. Engineering the reduction of the use of most carbon-intensive raw materials and goods in construction processes (i.e. lean production). E.g. using cements with less clinker factors, while maintaining quality and security standards 	
<p>WASTE GENERATED IN OPERATIONS</p>	<p>Ferrovial is committed to meeting the targets for the reduction, reuse and recycling of its generated waste.</p> <p>The recently approved “Circular Economy Plan” fosters ambitious reduction targets by optimizing recycling and reusing opportunities, particularly in construction activities. The Plan sets ambitious annual targets including at least 70% recovery and recycling of CDW (Construction and Demolition Waste), as well as 80% reusing of soils from earth movements in civil works.</p> <p>With that purpose, several actions onsite are implemented: E.g. Reuse of excavations in civil works (mostly transport infrastructure projects) when lands fulfill quality and technical requirements; onsite recycling of concrete or asphalt from demolition works, in order to manufacture materials and reduce the demand of raw materials.</p>	<p>CONSTRUCTION WATER CYCLE (CADAGUA)</p>
<p>UPSTREAM TRANSPORTATION AND DISTRIBUTION</p>	<p>Actions to reduce emissions from transportation and distribution of goods include (a) reduction of distance of transport to the worksite, particularly in construction activities. With this purpose, the Company fosters local procurement, when products are available, and (b) prioritization of low-carbon modes of transportation, when possible (particularly in last-mile distribution of goods and products), by encouraging the most relevant suppliers to speed up the energy transition in their modes of transport.</p>	<p>CONSTRUCTION</p>

POTENTIAL BARRIERS

In order to achieve the Scope 3 targets, the company has implemented a package of mitigation measures to address the various market, regulatory and technological challenges. In this context, the most relevant risks or barriers are considered to be the following:

- The reduction of potential suppliers driving to a potential increase in prices due to less availability of competitors
- The lack of availability of low-carbon products in the market at an appropriate scale (such as concrete and steel)
- Higher energy prices, and external carbon pricing mechanisms, driving to an increase of supply costs and difficult to access to clean technology, among others.
- Lack of alternative modes of transport across the diverse suppliers, addressing the energy transition expectations.

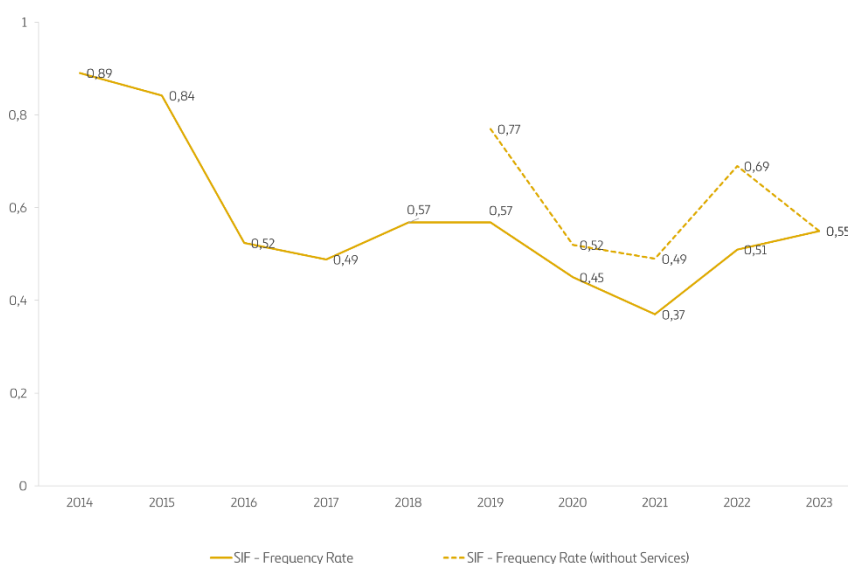
2.2.3. SPT 3

- **SPT 3.1: REDUCE THE SERIOUS INJURY AND FATALITY FREQUENCY RATE (SIF-FR) 35% BY 2025 FROM 2019 AS BASE YEAR (EQUIVALENT TO 27.1% REDUCTION BY 2025 FROM 2022 AS BASE YEAR)**

CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGET (SPT 3)

Historical Performance:

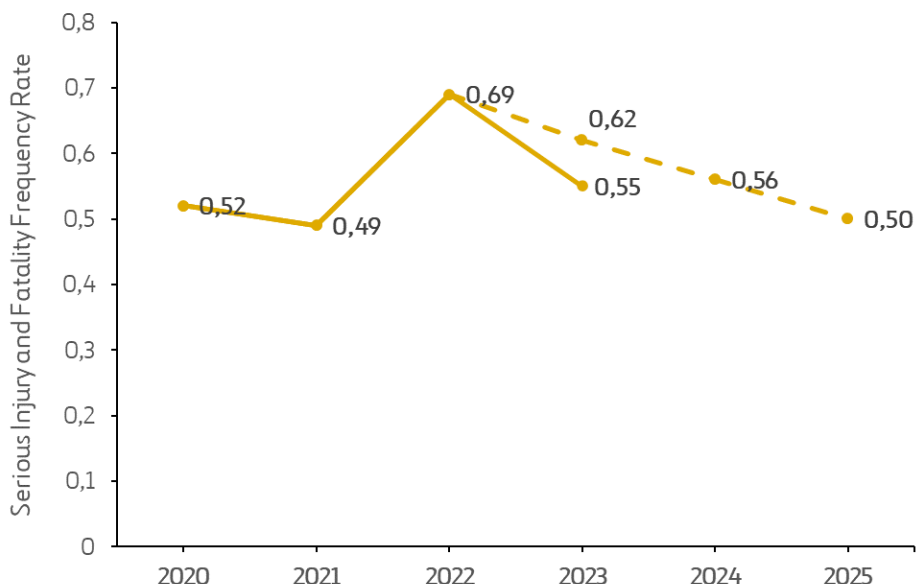
The serious injuries and fatal accidents, together with the hours worked, have been reported for a long time at Ferrovial. However, it was at the end of 2019 when we included the SIF-FR rate as part of a key KPI in the HSW Strategy.



Looking at the historical performance graph, Ferrovial mostly reduced the SIF-FR rate in 2020 and 2021. However, this reduction was highly affected by the Covid-19 pandemic and subsequent lockdowns, restrictions, infections and therefore is not “realistic” in terms of normal activity. Without the impact of the Covid-19 pandemic, the trend should have been more linear between 2019 and 2022. It also affected by the impact on the divested companies in the rate (the 2020-2022 Services

Divestments negatively impacted the rate). Services Divestments includes the sale of Broadspectrum (June 2020), Timec (November 2021), Environmental Services business in Spain and Portugal (December 2021), Spanish Infrastructure Services business (January 2022) and Amey (December 2022).

Reduction of Serious Injuries and Fatality Frequency Rate (excluding divested Services division)



SPT3: 35% reduction vs 2019 (baseline year), equivalent to 27.1% reduction taking 2022, as baseline year, in comparable terms not including divested Services division (2023: 0,62; 2024: 0,56. Equivalent to a SPT3 reduction from 2019 of: a) as of 31 December 2023: 19.3%; b) as of 31 December 2024: 28.7%. Also equivalent to a reduction from 2022 of : a) as of 31 December 2023: 10%; b) as of 31 December 2024: 19%), due to the high impact on the rate

Key actions that support the achievement

Despite business growth and its impact on the value chain, Ferrovial estimates that it will meet the reduction targets thanks to:

- The HSW Strategy 20-24 in place approved by the Board of Directors in 2019, and the related Annual Strategic Action Plans, that has been extended through 2026.
- High level of leadership commitment since the very top, owning or promoting the implementation of the different actions.
- Different campaigns addressed to increase the awareness and engagement of Ferrovial's employees in HSW matters.
- The consistent process in place to investigate and learnt from the events to avoid their reoccurrence.
- Collaboration between teams from different business units and countries to share knowledge.
- The safety, health and wellbeing innovation lab implemented focused on finding innovative solutions to aim Ferrovial's main risk factors.
- Different measures and initiatives developed and implemented by Ferrovial's business units and projects based on their specific needs.

Potential barriers

The main potential barriers we will find to achieve the target are:

- The divestment of Services companies, started in 2021 and still on going, has a huge negative impact on the SIF-FR.
- The growth of the business and type of projects (large and complex civil construction works, road infrastructures, etc.), with many high-risk activities.
- The different level of maturity on the contractor management in the different geographies where Ferrovial Group operates.
- Problems in the construction industry related with the lack of specialized workers, and lower competencies.

Verification

Although the SIF-FR has been reported for a long time, as shown in the graph above, it only has been verified by an external auditor as part of the Ferrovial HSW Strategy included in the annual report audit process since 2020.

The audit process includes the verification of the number of serious injuries and fatal accidents, the number of hours worked by both, Ferrovial employees and contractors as well the calculation of the rate and its variation of the previous year.

2.3. CHARACTERISTICS OF THE SUSTAINABILITY-LINKED INSTRUMENTS

The financial characteristics of the instrument will be impacted as step-up coupon, margin adjustment or other potential forms of economic impact on the Issuer / Borrower, such as donations to environmental and/or social projects depending on the nature of the instrument, according to the achievement or non-achievement of the selected KPIs and applicable SPTs at the Target Observation Dates, as specified in the relevant instrument specific documentation.

The KPI's metrics during the base year will be recalculated to reflect better data accessibility, discovery of data errors, a change in the calculation methodology or any significant changes in Ferrovial's structure (e.g. acquisition, divestiture, mergers, insourcing or outsourcing). The threshold value for a significant change are changes that impact the Sustainability Performance Target, in aggregate, by 5 percent or more. Any recalculations for a certain KPI must be reported on, see the Reporting section below, and verified by an independent, qualified external reviewer as outlined in the Verification section of this Framework. Recalculation will not be triggered by organic growth and decline. Any such change will be communicated within the annual reporting.

If, for any reason, the performance level against each SPT cannot be calculated or observed as prescribed, or not in a satisfactory manner (non-satisfactory manner to be understood as a verification assurance certificate provided by the independent auditor containing a reservation or the independent auditor not being in a position to provide such certificate), the step-up coupon, the increased margin adjustment of the instrument or other potential forms of economic impact on the Issuer / Borrower, such as donations to environmental and/or social projects depending on the nature of the instrument will be applicable.

2.4. REPORTING

Ferrovial will publish the following SLB related information in its annual Integrated Annual Report and/or annual sustainability report available on its website:

- Information on the performance and monitoring of the selected KPI;
- Verification assurance report relative to the SPT outlining the performance against the SPT and the related impact, and timing of such impact, on an instrument's financial performance; and
- Any relevant information enabling investors to monitor the progress of the SPT.

Information may also include when feasible and possible:

- Illustration of the positive sustainability impacts of the performance improvement; and/or
- Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

2.5. VERIFICATION

Ferrovial's performance of the KPIs defined in the Framework, at the relevant Target Observation Date, will be verified by an external auditor as part of the Group's annual sustainability report audit process. Ferrovial will provide verification to a limited level of assurance, the result of which will be included in the Integrated Annual Report and/or annual sustainability report.

Ferrovial's Sustainability-Linked Financing Framework has been reviewed by DNV who provided a Second Party Opinion (SPO), confirming the alignment of the Framework with the ICMA Sustainability-Linked Bond Principles (SLBP) 2023 as well as the alignment with the LMA Sustainability-Linked Loan Principles (SLLP) 2023. The SPO will be made available on Ferrovial's website.

2.6. AMENDMENTS TO THIS FRAMEWORK

Ferrovial will review this Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. Ferrovial will also review this Framework in case of material changes in the perimeter, methodology, and in particular KPIs and/or the SPT's calibration.

Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of a qualified provider of Second Party Opinions. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an External Verifier.

The updated Framework, if any, will be published on Ferrovial's website and will replace this Framework.

2.7. DISCLAIMER

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