

CODE: PG.FER.CR.001**TITLE:** PROCEDURE FOR APPROVING
AND TRACKING PATRONAGE, SPONSORSHIP AND
DONATION PROJECTS**VERSION:** 1**SCOPE:** General**LAST REVIEW:** 01/01/2017**SUPERSEDES:** NPCD-106**PUBLICATION DATE:** 30/04/2021**LANGUAGE OF ORIGINAL VERSION:** Spanish**APPROVED BY:** CEO**PUBLISHED BY:** Communication and Corporate
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Version	Date of publication	Summary and reason for changes	Cancels/supersedes:
1	01/01/2017		NPCD-106, first version N/A
2	30/04/2021	Update and adaptation to new organization structure	

i. INTRODUCTION

Ferrovial has a Corporate Social Responsibility Policy and a Code of Business Ethics that are based on the highest standards of integrity, transparency and respect for the law and for human rights.

As part of its corporate responsibility and its commitment to the community, Ferrovial supports initiatives for economic, social, cultural or environmental development through patronage, sponsorship and donations.

II. OBJECTIVE

To regulate the process of selecting, approving and tracking patronage, sponsorship and donation projects involving Ferrovial, S.A. or any company in its Group.

III. SCOPE OF APPLICATION

This procedure is applicable to all initiatives involving patronage, sponsorship or donations between Ferrovial and a Third Party. For these purposes, "Group" and "Ferrovial" refer to both Ferrovial, S.A. and the consolidated group of companies that it heads and, generally, to all entities, whether they have legal personality or otherwise, that it controls, directly or indirectly. "Control" is understood to exist when Ferrovial holds a majority of the voting rights within the management or governing body.

This procedure will apply as established above except where the legislation to which any Group company is subject specifically prevents it from being applicable, wholly or partly, in which case the Group company in question must act in accordance with the provisions of such legislation. Group companies may have a procedure in relation to the initiatives involving them; in any event, such procedures must conform to the general principles set out in this procedure and must be approved by the Compliance Department.

In the case of Ferroviai investees where this procedure is not applicable, Ferroviai will strive to ensure that their respective decision-making bodies adopt similar procedures or policies that are adapted to their specific circumstances.

Nevertheless, Amey and Budimex may adopt their own internal procedures, without prejudice to compliance with any local legislation. In any event, both of those companies must report on their Priority Programs to the Communication and Corporate Social Responsibility Department once per year. They must also report on a quarterly basis to the Compliance Department with regard to the activities covered by this policy and the internal controls established in relation to them, so that the Compliance Department can assess their suitability appropriately with a view to preventing risks.

IV. DEFINITIONS

Patronage. Patronage refers to agreements where, in exchange for monetary aid to perform a sporting, charitable, cultural, scientific or other activity, the beneficiary organization undertakes to publicize the patron's participation. This procedure expressly excludes any activity entailing an exchange of a commercial nature or the delivery of services as consideration. Obligatory contributions by virtue of contractual or regulatory requirements are classified as Patronage for the purposes of this procedure.

Sponsorship. Sponsorship is understood to mean support in carrying out activities of interest, through agreements between parties or through support for events of exceptional public interest. This category covers agreements with educational centers and universities in connection with studies of general interest.

Donations: refer to the delivery of goods or services for activities considered to be of general interest, there being no consideration of any kind.

Third Party: A Third Party is any counterparty, whether public or private, that seeks to enter into a Patronage, Sponsorship or Donation agreement with Ferroviai.

Proposer: Ferroviai management unit in charge of the Patronage, Sponsorship or Donation project.

Priority Programs: Set of social action programs that fall under the categories of projects approved by Ferroviai in a range of fields of action (Annex 1).

Project: A social, cultural, environmental or other action of public or private interest supported by the company through Patronage, Sponsorship or a Donation.

Agreement: Legal document setting out the collaboration between Ferroviai and a Third Party.

V. IMPLEMENTATION OF THE PROCEDURE

V.1. General criteria

When a new Project is identified, the Proposer must first confirm whether the project falls under a category in Ferrovia's current list of Priority Community Investment Programs (see Annex 1), and must also confirm the criteria in connection with technical quality, relevance, impact and feasibility required for its implementation.

The Proposer must also verify the Third Party's suitability vis-à-vis the provisions of Ferrovia's Code of Ethics, Anti-Corruption Policy or the internal rules applicable to the Project. In this connection, they must ensure acceptance by the Third Party of the Code of Business Ethics and the Anti-Corruption Policy or any other relevant policy.

V.2. Integrity Due Diligence

The Proposer must conduct an Integrity Due Diligence Process as stipulated in the Due Diligence Policy with respect to Third-Party Integrity, including an analysis of the risk of subsequent breach by the Third Party of the precepts of the Code of Ethics or the Anti-Corruption Policy.

The cost of due diligence reports requested via the Application will be borne by the Proposer.

V.3. Approval

After completing the evaluation established in section V.1 and the Integrity Due Diligence process in section V.2, the verification required for annual contributions amounting to €15,000 or more will begin as a prelude to approval and subsequent signature of the Agreement.

The procedure will consist of the following steps:

1. The Proposer will submit the application form (Annex 2) to the Communications and Corporate Social Responsibility Department for approval, accompanied by the draft Agreement. This documentation must be submitted at least 15 days prior to signature, to allow a reasonable time for processing.
2. The Communication and Corporate Social Responsibility department will be responsible for checking that:
 - a. The Project is in one of the categories classified as Priority Programs.
 - b. The amount of the project is less than 250.000 euros.
 - c. The Third Party's risk is less than "High", in accordance with the Due Diligence Policy with respect to Third-Party Integrity.
3. Where the verification yields a positive result in the three items listed in paragraph 2 above, the Project will be returned to the Proposer for signature by the CEO of the business area, the Corporate General Manager or a direct report of the CEO of Ferrovia.
4. If the verification is not positive in any of the three items in paragraph 2, the Project will be referred for consideration and a decision by the CEO of Ferrovia, who will consider the advisability of the

Project and decide whether or not to sign it on the basis of the information provided by the Proposer.

Contributions amounting to less than €15,000 per year will be governed by the authorization system in place in the business unit in question. Such contributions may only be approved by the CEO of the business area or one of their direct reports. The same conditions apply to contributions of this size to be made at Corporate level. The Compliance Department will verify the authorization and oversight systems that are established in the business areas and at Corporate level.

V.4. Formalization of the Agreement requiring approval under this Procedure

The Agreement must include clauses covering the following:

- a) An express mention that the Third Party (i) is aware of and accepts the Business Code of Ethics, Ferrovial's anti-corruption commitments and other similar commitments that are applicable; and (ii) undertakes to implement the Project in accordance with those basic principles of conduct.
- b) (i) An express statement by the Third Party rejecting any act that could be deemed corruption or bribery of any kind, (ii) a commitment by the Third Party to comply strictly with the applicable anti-corruption legislation, and (iii) a prohibition on the use of the funds for purposes other than those provided.
- c) Ferrovial's power to terminate the Agreement in the event of suspicions of misappropriation or misuse of the funds.
- d) A requirement that the Third Party offer transparency as to the use of the funds.
- e) A commitment by the Third Party to demand, in relation to the performance of the Agreement, that its service providers, suppliers or subcontractors comply with the anti-corruption clauses and the Code of Ethics, or similar provisions.
- f) All payments, expenses and transactions must be properly accounted for in accordance with applicable accounting standards, without any hidden disbursements that disguise the true nature of any agreement.
- g) Agreements will be forwarded for review beforehand by Ferrovial's General Secretary or the Business Unit's Legal Department.

The Proposer must submit the Agreement to the Compliance Department for review in the light of the provisions of this section and the information provided by the Proposer.

If it is not possible to include any of the aforementioned clauses or if their inclusion is not considered to be necessary, the Proposer must justify this situation and the Agreement may not be signed unless a favorable joint report is obtained from the Communication and Corporate Social Responsibility Department and the Compliance Department.

V.5 Renewal, amendment or extension.

If the Project Agreement does not provide for an extension of the term or scope of the Project or for amendment of any of the terms of the Agreement, then any such extension or amendment will be treated as a new Project, and a process of review and approval must be set in motion in accordance with the provisions of this section V.

For agreements with a term of more than one year, the Proposer is required to submit a report each year to the Communication and Corporate Social Responsibility Department setting out the status of the Agreement and providing arguments in support of continuing with it.

VI. PROJECT OVERSIGHT

The Proposer will report to the party that approved the Project and to the Communication and Corporate Social Responsibility Department as to whether the Project is in compliance and also of any alerts arising during Project implementation. Such reports must be submitted at least once per year and, in any event, upon conclusion of the Project.

The Head of Communication and Corporate Social Responsibility will inform the Compliance Department of any alerts arising in connection with third-party integrity in order to make a joint decision on how to respond.

VII. FINAL CONSIDERATIONS

This Procedure cannot foresee all the situations and questions that might arise in connection with Patronage, Sponsorship and Donation projects. For this reason, it is the responsibility of the directors, executives and employees of Ferrovial to ensure that no Project of this type is implemented without complying with this procedure. In case of doubt, the Compliance Department should be contacted before any action is taken.

VIII. TERM

This Procedure comes into force on the business day following that of its publication on the Ferrovial Intranet.

Annex 1.

PRIORITY COMMUNITY INVESTMENT PROGRAMS¹

Environment

- Carbon footprint reduction; adaptation to a low-carbon economy; innovation and research into eco-efficiency and energy efficiency.
- Biodiversity preservation and environmental protection.
- Plans to reduce the impact of people's mobility, including people who use infrastructure managed by Ferrovial.

Society

- Social Infrastructure: Cooperation and advisory projects with NGOs.
- Stronger Together: Matching funds for social and emergency projects.
- Legacy: Culture, heritage and infrastructure restoration.
- Integration: Accessibility, training and social and labor integration activities.

Innovation

- Entrepreneurship: mentoring initiatives (providing funding and/or person-hours).
- Sustainability RDI projects: agreements with innovation institutions.

¹ In force in 2021.

ANNEX 2:

SPONSORSHIP, DONATION OR PATRONAGE PROJECT APPLICATION FORM

Reference Number

A. PROPOSER (FERROVIAL)

- i. Business Unit:
- ii. Company (1):
- iii. Department:
- iv. Percentage contribution (2): %

B. BENEFICIARY INSTITUTION

- i. Name:
- ii. Type (3):
- iii. External Audit:
☐ Yes ☐ No Entity
- iv. IDD Risk level (4):
☐ High
☐ Medium
☐ Low

C. CONDITIONS

- i. Total amount: € ii. Annual amount (5) iii. Total duration of agreement: months
- iv. Previous contributions (6): €

D. PROJECT

1. Description and characteristics of the project (7):

2. Sustainable Development Goals to which it contributes (8):

3. Description and characteristics of the project. Alignment with priority community investment programmes (9):

E. APPROVAL PROCESS:

1. Submitted (business / corporate area) Date Proposer name, signature and position (Business CEO / Corp. Director).	2. Validated (Communication and CR Director) ☐ Priority project ☐ Project not aligned with priority programmes ☐ Amount $\geq$ €250,000 ☐ IDD high risk Date Name and signature Communication and CR Director
3. Approved (business / corporate area) Date Name and signature Business CEO / Corp. Director	4. Approved CEO Date Name and signature CEO

F. REMARKS:

G. FOLLOW-UP:

- (1) State the name of the Company(ies), Regional Dept. or construction developer of the operation.
- (2) Indicate the percentage of Ferrovial's contribution with respect to the total project.
- (3) Choose one of the options. If you select "other", indicate the type of organization.
- (4) Indicate the level of risk according to the Due Diligence Application.
- (5) For agreements longer than 12 months, state the annual amount set.
- (6) Total amount provided by Ferrovial or Group companies to the same receiving entity (or related persons) in the last three years.
- (7) Objective of the project. Benefits for the community or others. Benefits for Ferrovial.
- (8) Identify the SDGs to which the project contributes, this can be one or several. If possible, specify the targets.
- (9) Identify the priority line or lines of investment in the community with which the project is identified.