



2025 Non-financial Report

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Madrid
Nuevo
Norte

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Preamble

This document, the 2025 Non-Financial Report of Crea Madrid Nuevo Norte, S.A. (hereinafter Crea Madrid Nuevo Norte, the Company or the Corporation), is a voluntary disclosure of information on environmental, social and governance issues that are relevant to the Company in the conduct of its business activities, in order to exercise transparency and meet the information needs of potential stakeholders in its activity.

This Report has been prepared in accordance with the European Commission's guidelines on non-financial reporting (2017/C 215/01) and the provisions of certain *Global Reporting Initiative Standards* (GRI Standards), along with professional criteria from international bodies such as the *Sustainability Accounting Standards Board* (SASB), *Standard & Poor's Corporate Sustainability Assessment* (S&P CSA) and *Morgan Stanley Capital International* (MSCI ESG), which are extremely useful for identifying the most relevant information or the materiality of each sector in an objective and comprehensive manner. The information included in the Non-Financial Report has not been verified by an independent verification service provider.

Madrid, the city of the future



01

Madrid, the city of the future

Crea Madrid Nuevo Norte is promoting the Madrid Nuevo Norte urban regeneration project (hereinafter, Madrid Nuevo Norte or the Project), an initiative whose objectives include contributing to sustainability and positioning the capital among the most avant-garde and prosperous cities in Europe, generating thousands of jobs and improving the quality of life of Madrid's residents and the various stakeholders involved in the Project, as defined in the amendment to the 1997 General Urban Development Plan (PGOUM) for Madrid. This is a public-private project led in its design phase by Madrid City Council, with Crea Madrid Nuevo Norte as the main private promoter.

01.1 Madrid Nuevo Norte, Madrid's major transformation project for the 21st century



Image by Rogers, Stirk, Harbour + Partners

The Project was created to solve the division caused by the railway tracks, which for 50 years have separated the northern part of Madrid into two parts, causing many inconveniences for citizens.

The Project introduces a new urban model for the city, which seeks to follow best practices in sustainable urban planning and involves citizens in all its phases, in order to close this divide and solve the problems of mobility, safety and lack of public services in the area.

01.2 Crea Madrid Nuevo Norte, the urban transformation company behind the Madrid Nuevo Norte project

In 1993, the Company was established after winning a public tender for the rights to certain plots of land owned by railway companies (now ADIF, ADIF-Alta Velocidad, Renfe Ingeniería y Mantenimiento and Renfe Operadora) and since then, has been working with the public authorities to promote an urban development plan that will enable action to be taken on the land and integrate it into the urban fabric. Since December 2024, the Company has owned certain land and planning rights that were previously owned by the aforementioned railway companies.

In this process, Crea Madrid Nuevo Norte contributes its vision of sustainable urban planning through the professionals who make up the Company, top-level advisers and the promotion of a continuous process of citizen participation, convinced that Madrid Nuevo Norte aspires to be one of the most distinctive projects in Spain and to make Madrid one of the leading capitals of Europe.

The Company's relevant
environmental, social
and governance issues

02

The Company's relevant environmental, social and governance issues

02.1 Stakeholder matrix and priority issues

A simplified materiality analysis has been carried out in order to disclose the activities of Crea Madrid Nuevo Norte and the Project, beyond its economic and financial performance. This is the first step towards producing a sustainability report and consists of identifying and prioritising the most significant environmental, social and governance issues for the Company. This enhances the Company's transparency in its reporting and stakeholder engagement.

Externally, a market analysis was carried out, selecting leading developers and players in the sector (Real estate and land development sector, with an average turnover of between €200 million and €1 billion and 70 to 300 employees) and examining the material issues included in the sustainability reports, as well as an analysis of the main global and sectoral standards, taking into account a selection of the main news items found in the national media and on the companies' own corporate websites.

STAKEHOLDER GROUP	COMMUNICATION CHANNEL	MATERIAL ISSUES
COMPETITORS	ESG Reports Website	Energy Water and Effluents Emissions Health and Safety
GLOBAL STANDARDS	Disclosures ESG Trends	Water and Effluents Energy Emissions Health and Safety
PRESS	Press News Website	Energy Water and Effluents Financial Performance Local Communities

Meanwhile, internally, the impact that each issue could have has been assessed from the perspective of all areas of the Company, with the collaboration of the main managers within each department of Crea Madrid Nuevo Norte.

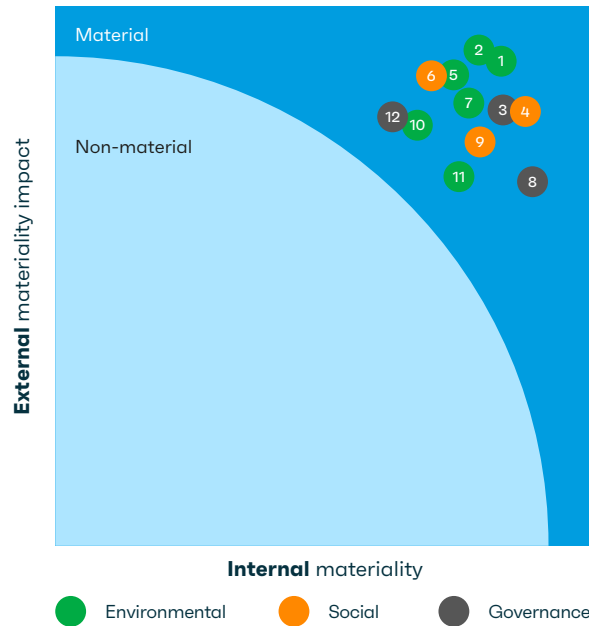
Once the data has been obtained, it is evaluated considering different levels of performance, an average is obtained for each issue assessed (final percentage) and they are prioritised, taking into account the established threshold (limit) to determine whether an issue is material or not. In this case, the selected approach was to use a 50% threshold in the simple materiality assessment. The Company's material and non-material issues are obtained from there.

List and definition of material issues

After conducting the materiality analysis, we conclude that the **main material issues** for Crea Madrid Nuevo Norte are as follows, ranked from 1 to 12, with 1 being the highest priority issue, using the main global and sectoral standards as a reference: GRI (*Global Reporting Initiative*), SASB (*Sustainability Accounting Standards Board*), S&P (*Corporate Sustainability Assessment - CSA*) and MSCI ESG (*Morgan Stanley Capital International*).

PRIORITISATION	MATERIAL ISSUE	DEFINITION ADAPTED FOR THE SIMPLE MATERIALITY ANALYSIS	DIMENSION	MATERIALITY RESULT
1	Energy	Use of fuels, electricity, heating, cooling, steam, etc. from renewable or non-renewable sources	E	79%
2	Water and Effluents	Impact of water extracted and consumed and the quality of its discharges (water stress)	E	77%
3	Economic performance	Economic development of local areas and communities	G	71%
4	Local Communities	Impact on people living or working in areas affected by the organisation's activities	S	71%
5	Emissions	GHG, ODS (ozone-depleting substances) nitrogen oxides, sulphur, other	E	67%
6	Health and safety of customers	Compliance with health and safety regulations and voluntary codes	S	67%
7	Waste	Discharges, significant spills, others	E	67%
8	Indirect economic impact	Impact of investments in infrastructures and related services	G	63%
9	Employment	Job creation, retention, working conditions in the organisation and supply chain	S	62%
10	Materials	Materials used (renewable, non-renewable, or recycled)	E	54%
11	Environmental assessment and suppliers	According to environmental criteria (energy, water, emissions, others)	E	53%
12	Anti-corruption	Bribery, extortion, other	G	51%

The accompanying chart shows the material topics covered in the **Simple Materiality** analysis.



Taking into account the prioritisation scale used in the Impact Materiality, the selection of the main **material topics** is summarised below by category:

 Environment and climate change	 Social impact and development of the Local Community	 Corporate governance and responsible management
<ul style="list-style-type: none"> • Energy • Water and Effluents • Emissions • Waste • Materials • Environmental assessment of suppliers 	<ul style="list-style-type: none"> • Communities • Health and safety of customers • Generation of employment 	<ul style="list-style-type: none"> • Economic performance • Systems to ensure ethical business and tax practices (Anti-corruption) • Indirect economic impact

02.2 Materiality analysis and matrix

Each of these issues affecting Crea Madrid Nuevo Norte has been identified based on a compilation of environmental, social and governance trends, based on the sustainability standards, regulations, and trends specific to the sector, as mentioned above.

The relevance of each issue has been studied through an external materiality (or impact) analysis and an internal materiality analysis of each issue.

External materiality has taken into account the market, industry regulation, industry trends and media communications to determine the Company's relevant non-financial issues.

Meanwhile for internal assessment, a survey was launched among the Company's various departments in order to understand the environmental, social and governance impact that each of the issues could have from the point of view of the main stakeholders in each area of the Company.

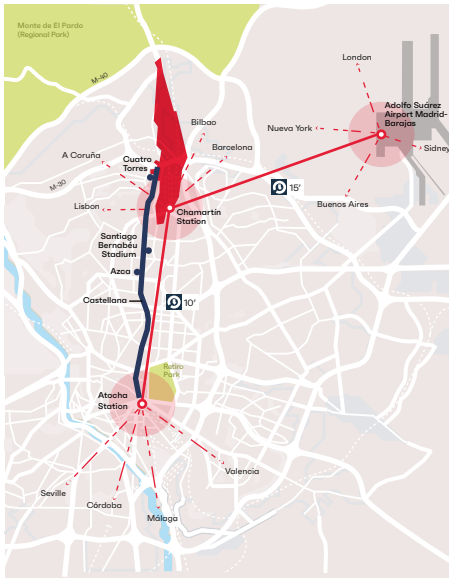
About us

03

About us

03.1 General Project overview

03.1.1 Context and location of Madrid Nuevo Norte



As mentioned above, this is a public-private project led by Madrid City Council during its design phase, conceived to improve the quality of life of citizens and create a modern, efficient, sustainable city that is prepared to meet future social, economic, and environmental needs.

To achieve this, Crea Madrid Nuevo Norte, as the main private promoter, has put together a large multidisciplinary team made up of leading professionals from a wide range of fields, including architecture, engineering, innovation, communication, and sociology, among others. There has also been access to top international external advisors throughout the process.

The Project is strategically located and will be hyper-connected at local, regional, and international levels.

03.1.2 Madrid Nuevo Norte in figures

Scale of the Project

Madrid Nuevo Norte will transform a long strip of land measuring **5.6 km long and up to 1 km wide**, from calle Mateo Inurria, next to Plaza de Castilla, to the M-40 motorway, in the northern part of Madrid. This is equivalent to the distance between the Neptuno roundabout and Plaza de Castilla.

Project dimensions*



*Compiled by the author. Gross area and estimated unconsolidated urban land area in the report on the Specific Modification of the General Plan (hereinafter MPG).

The Project covers a total land surface area of **3.3 million square metres** and, after deducting the land occupied by the railway tracks and the M-30 motorway, an area of **2.3 million square metres** will be regenerated.

The Project has two main areas separated by the M-30 motorway:

- To the **south** and next to Chamartín-Clara Campoamor Station, a large **business centre** will be created, where the highest urban density and tallest buildings will be concentrated.

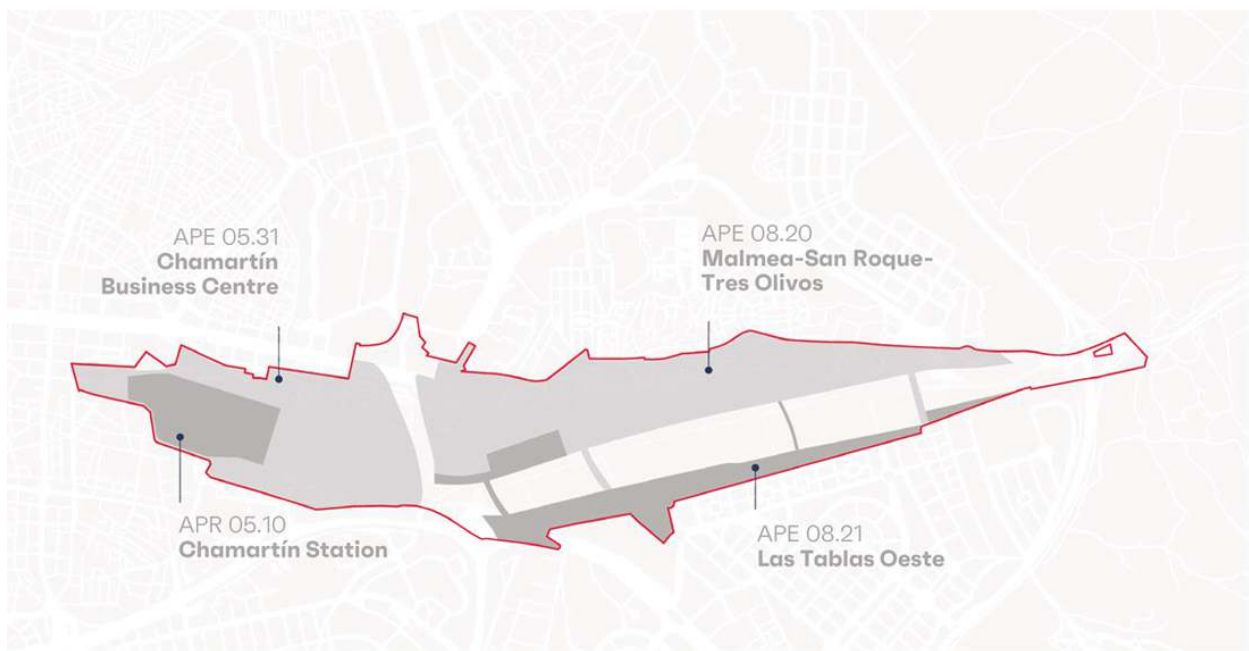
This area will include the following zones:

- APR 05.10 Chamartín Station**, with more than 200,000 m² of land surface.
- APE 05.31 Chamartín Business Centre**, with more than 700,000 m² of land surface.

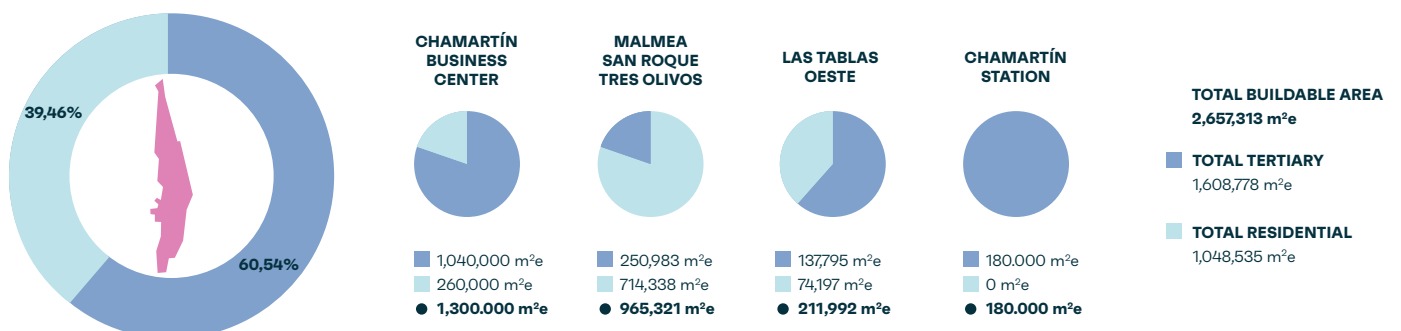
- Meanwhile, in the **north**, the development will be mainly **residential**, where most of the 10,500 homes planned will be built.

This area will include the following zones:

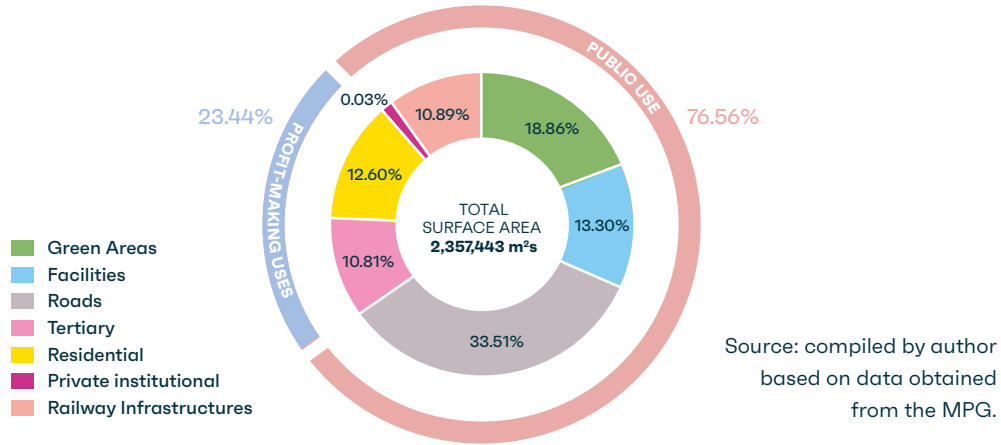
- APE 08.20 Malmea - San Roque - Tres Olivos** (west of the tracks), with more than 1 million m² of land surface.
- APE 08.21 Las Tablas Oeste** (east of the tracks), with more than 300,000 m² of land surface.



In each of these areas, the buildable area of Madrid Nuevo Norte will be divided between the tertiary sector (offices and commercial) and the residential sector, with **1 million m²e allocated to residential** use and **1.6 million m²e to tertiary use**, distributed as follows in each of the areas.



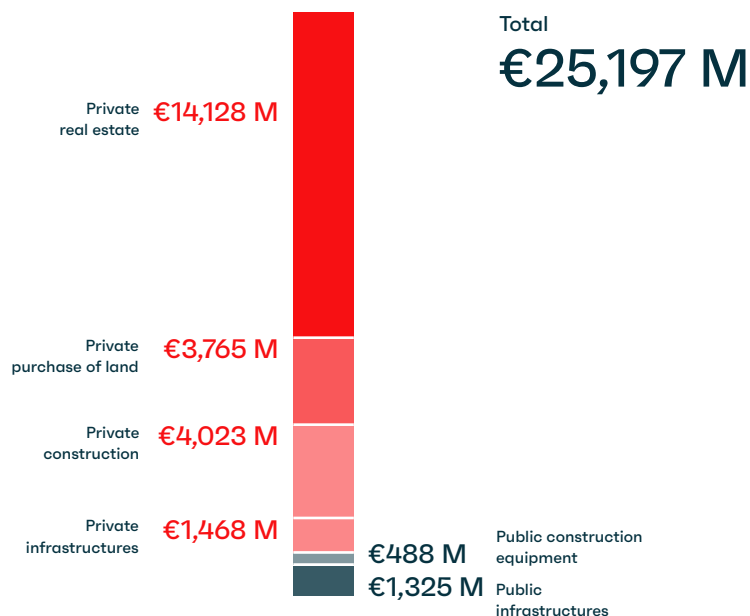
Approximately **76% of the land will be allocated for public use** to build streets, parks and public facilities such as schools and health centres, and **24%** of the land will be allocated for profit-making uses to **house homes, offices, and shops**.



Key economic figures

According to a report prepared by the *L.R. Klein* Institute (Autonomous University of Madrid) based on data extracted from the specific amendment to Madrid’s General Urban Development Plan (PGOUM) that defines the planning for Madrid Nuevo Norte, the total estimated capital movement of the Project is **€25,197 M**, broken down as follows:

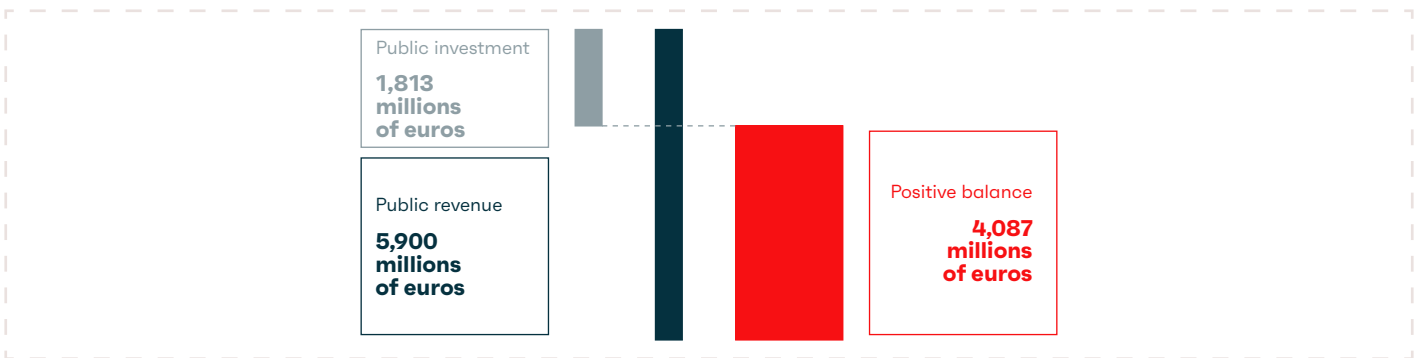
- Estimated total investment required for the transformation: **€11,069 M**
 - Private investment **€9,256 M**
 - Public investment **€1,813 M**
- Estimated additional private investment for the purchase of real estate: **€14,128 M**



The division of the Project into four areas aims to ensure a more equitable distribution of urbanisation costs among landowners, based on the different characteristics of each area. In total, landowners will contribute around **€1 billion** for basic urbanisation, including items such as covering the Chamartín railway line and building bridges to connect neighbourhoods.

According to the study by the Autonomous University, throughout the development of Madrid Nuevo Norte, the three Public Administrations (central, regional, and municipal) will receive a net balance in the form of transfers and taxes derived from the Project, amounting to more than **€4 billion**.

Revenue from the Public Administrations:



Jobs created by the Madrid Nuevo Norte project

The aforementioned study by the Autonomous University of Madrid analyses employment data for both the construction and operational phases. These are its main conclusions:

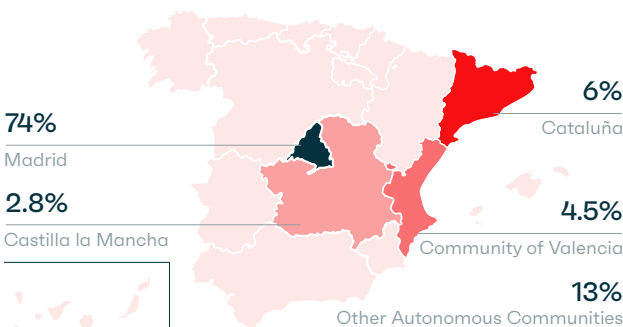
● **Total estimated jobs created:**



The study estimates that the project will create around **350,000 jobs** between the construction phase and the subsequent activity of the offices and shops in the new neighbourhoods.

**The activity phase has been calculated based on a theoretical assumption of 100% occupancy of the tertiary properties in the Project.*

● **Impact on employment in the geographical area:**



During the construction phase, the study estimates that almost 150,000 jobs will be created in the Community of Madrid, representing **4.8% of the current workforce** in Madrid. Other regions will also benefit significantly from job creation, as shown in the graph on the left.

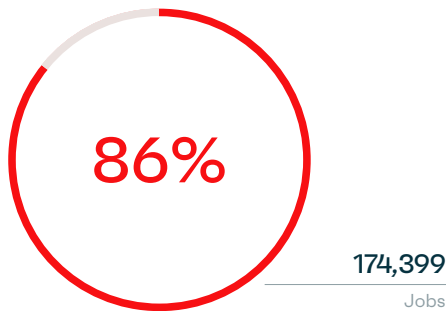
● **Employment in the rest of Spain:**



Furthermore, the study estimates that 26% of the jobs created will have an impact on other autonomous communities:

- **26%** of jobs in the rest of **Spain**.
- 74% in the *Community of Madrid*.

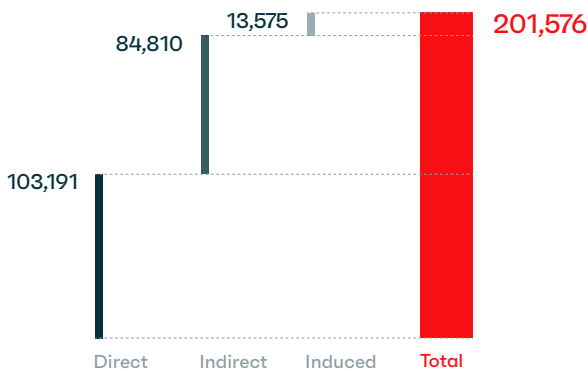
● **Employment in the construction phase generated by private investment:**



The study estimates that 86% of the jobs that will be created by the Madrid Nuevo Norte project will come from private investment, which is key because it finances a large part of the infrastructures, offices, housing, and facilities that will transform the northern part of Madrid.

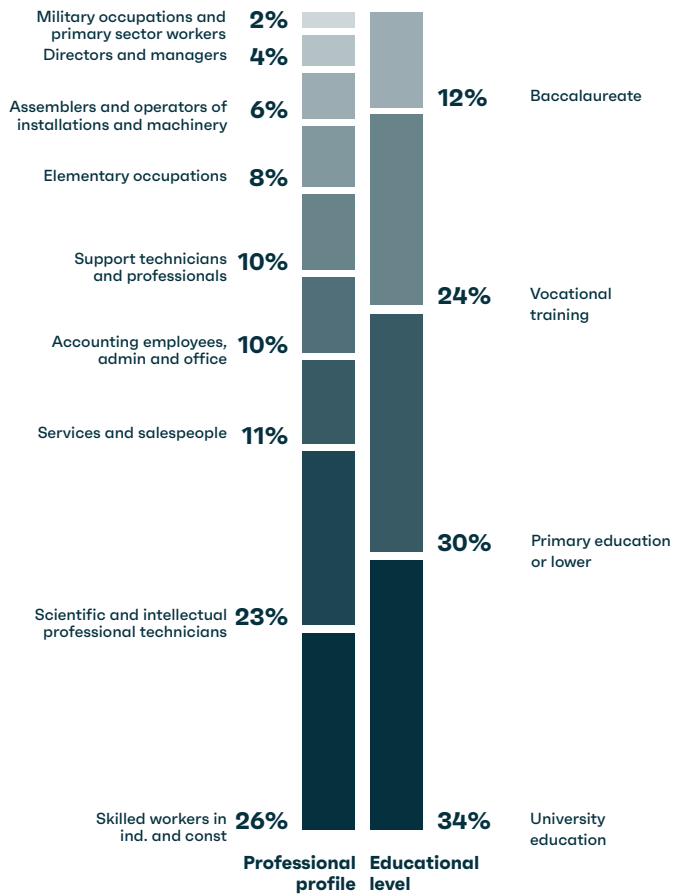
- Around **170,000 jobs** (86%).

● **Impact of Direct Employment:**



The study estimates that each new direct job in the Project will generate **0.95 additional jobs** in the national economy.

● **Impact on jobs:**



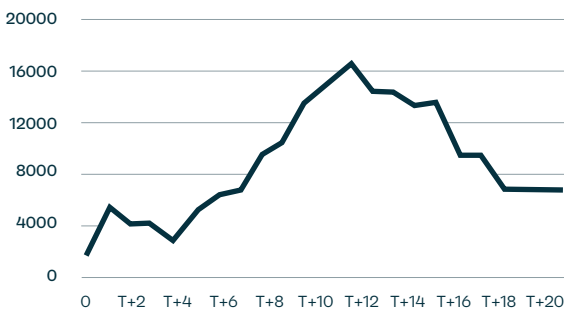
By professional category:

- Skilled profiles in industry and construction (26%).
- Technicians and scientific and intellectual professionals (23%).
- Services and salespeople (11%).

By educational level:

- University education (34%).
- Primary education or lower (30%).
- Vocational training (24%).
- Baccalaureate (12%).

● **Employment trends by year:**



According to the study's forecasts, job creation will be significant from the outset and over several decades.

• During the **activity phase:**

Once the construction phase is complete, there will be a change in the job profile. To be precise, it is estimated that the Project will have the capacity to generate more than **140,000 extra jobs associated with the Business Centre's activity**. Therefore, based on the study and qualified employment measurements, it can be said that this is a project that favours the knowledge-driven economy, becoming one of the most innovative districts in southern Europe, bringing together qualified jobs that look to the future.

03.1.3 Management and execution of Madrid Nuevo Norte

03.1.3.1 Progress of the Project

- 
- 2017**
 - Start of the Project (participatory process)
 - Start of the file (Amendment of the PGOUM)
 - Institutional Consensus
 - 2018**
 - Initial approval of the MPG
 - Presentation of the Project to Madrid City Council
 - 2019**
 - Provisional approval
 - Environmental Statement
 - 2020**
 - Start of the management phase
 - Publication of the final approval in the BOCM
 - Ratification of the final approval
 - 2021**
 - Malmea-San Roque-Tres Olivos Management Committee established
 - Business Centre Management Committee established
 - LEED and BREEAM pre-certifications
 - Signing of a Framework Agreement for execution of infrastructures
 - 2022**
 - Start of initial works
 - Signing of the agreement for the new section of the MNN Metro
 - Delimitation of a single execution unit in Malmea-San Roque-Tres Olivos
 - Coordination and Implementation Plan (PCE) for Specific Projects
 - 2023**
 - Presentation of the APE 08.21 “Las Tablas Oeste” execution initiative
 - 2024**
 - Crea Madrid Nuevo Norte acquires the land and planning rights from the public railway authorities (Purchase of the land)
 - 2025**
 - Initial approval and public consultation regarding the APE 08.21 “Las Tablas Oeste” Urban Development Project
 - Establishment of the Compensation Board for APE 08.21 “Las Tablas Oeste”
 - Presentation of the Project for the expropriation of non-participating landowners by the APE 08.21 “Las Tablas Oeste” Compensation Board
 - Approval of the APE 08.20 initiative: “Malmea-San Roque-Tres Olivos”
 - Presentation of the proposed by-laws for the EUCC (Coordinating Urban Development Entity), the Ordinary Urbanisation Works Project for the Shared Infrastructure of Madrid Nuevo Norte, and the Ordinary Urbanisation Works Project for the Outlet to the Wastewater Treatment Plant (WWTP) and the Stormwater Tank of Madrid Nuevo Norte (infrastructure shared between APE 05.31 “Chamartín Business Centre”, APE 08.20 “Malmea-San Roque-Tres Olivos” and APE 08.21 “Las Tablas Oeste”)
 - Start of the PPRI (Partial Internal Redevelopment Plan) process for APR 05.10

Since the inception of Madrid Nuevo Norte, the Project has gone through several phases, among which we can highlight the following:

- **2017 - Definition of the Project's foundations (planning phase)**

Madrid City Council, with the support of the Ministry of Public Works and the Company, promotes the modification of the PGOUM (General Urban Development Plan) for the land in the area, laying the foundations for the Madrid Nuevo Norte Project.

- **2020 - Final approval of the Project (Start of the management phase)**

The final approval of the Project in July 2020 by the Governing Council of the Community of Madrid brought the planning phase of the urban development project to an end and opened the urban management phase for the three areas with detailed planning. It was the Governing Council of the Community of Madrid that agreed to definitively approve the modification of the 1997 General Plan in the Planning areas: APR 08.03 “Extension of the Castellana” and APE 05.27, “Colonia Campamento”, defining the planning decisions and parameters for the “Madrid Nuevo Norte” urban development project (MPG).

The MPG established detailed planning for three of the four **urban areas** of Madrid Nuevo Norte:

- Chamartín Business Centre (APE 05.31)
- Malmea-San Roque-Tres Olivos (APE 08.20)
- Las Tablas Oeste (APE 08.21)

On the other hand, there is a fourth area, that of Chamartín Station (APR 05.10), which has not yet entered the management phase and is in the process of defining its detailed planning through the processing of a Partial Interior Reform Plan (PPRI), work coordinated with the ongoing remodelling of Chamartín - Clara Campoamor Station.

Following the final approval of the MPG, the first three areas mentioned above are currently being managed in accordance with detailed planning, which involves, among other activities, drawing up the rules and by-laws of the future Compensation Boards, drafting urban development projects and, in the near future, land redistribution projects.

All of this is for the purposes of municipal processing and approval, with the aim of managing, executing, and financing the urbanisation works, as a necessary prerequisite for the land to acquire the status of building plots and be available for construction.

- **2021 - Signing of the Infrastructure Framework Agreement, creation of a Community of Madrid Office and start of the first works**

In April 2021, an amendment was signed to the Agreement for the preparation of the construction project for the piers and piles of the capping slab associated with the high-speed tunnel at the southern end of Chamartín Station, in order, amongst other things, to extend the scope of the Agreement to a second phase that would allow for the supervision and approval of the projects.

In July 2021, the Community of Madrid, Madrid City Council, ADIF (Railway Infrastructure Administrator), ADIF Alta Velocidad and the Company signed the Framework Agreement for unique infrastructure provided for in the MPG, a significant milestone for the Project. This agreement is a public-private partnership instrument through which, among other things, the signatories agreed to coordinate the implementation of certain key infrastructure projects for the Project and for the city as a whole.

In September 2021, due to the importance of the Project for both the public and private sectors, the Regional Ministry of the Environment, Housing and Agriculture created the Office for Madrid Nuevo Norte to facilitate communication and coordination between the Community of Madrid and the various agents involved in the Project, including Crea Madrid Nuevo Norte, as well as to promote the Project and the Madrid region.

To get urban management off the ground, in 2021, Crea Madrid Nuevo Norte promoted the establishment of **Management Committees for the planning areas** of the *Chamartín Business Centre* and *Malmea-San Roque-Tres Olivos*:

- *The Management Committee of APE 05.31 Chamartín Business Centre, representing more than 80% of the land where Madrid Nuevo Norte will be built, a large office district with the potential to make Madrid one of the most innovative business districts in southern Europe.*
- *The Management Committee of APE 08.20 Malmea-San Roque-Tres Olivos, made up of owners representing more than 50% of the land, bringing together a wide range of property owners in this area, including individuals, industrial owners, and property developers. This area is residential in nature, with more than 7,000 homes and a predominance of ground floor commercial premises.*

In the third of the urban areas with detailed planning, Las Tablas Oeste (APE 08.21), the Company owns virtually all the land and rights of use, so no Management Committee has been set up, and a Compensation Board will be established shortly.

- **2022 - Approval of Coordination Plan + Preselected proposal and signing of contract with UTE (Joint Venture) Chamartín Ecosistema Abierto**

In accordance with the provisions of the Framework Agreement, in 2022 the Coordination and Execution Plan for Specific Actions in Madrid Nuevo Norte was drawn up and approved by the Monitoring Committee for this Agreement. This document aims to ensure the compatibility and coordination of the unique actions and urban development works specific to the areas of action of Madrid Nuevo Norte.

In December 2022, the proposal submitted by the UTE Chamartín Ecosistema Abierto formed by *UNStudio*, *b720* and *Esteyco* was short-listed after the opening of bids for the international tender launched by Adif Alta Velocidad for the transformation of the Madrid Chamartín-Clara Campoamor station and its urban integration. In February 2023, the contract with the aforementioned joint venture was signed for the aforementioned services.

- **2023 - Registration of the initiative in the Las Tablas Oeste area and processing of the rules and by-laws**

During the 2023 financial year, Adif, Adif Alta Velocidad and Renfe registered the implementation initiative for the Las Tablas Oeste area, which includes both the urban development project and the rules and by-laws of the future Compensation Board.

In November 2023, Madrid City Council approved the implementation initiative for Las Tablas Oeste. This action formally initiated the process of drawing up the rules and by-laws of the Compensation Board.

The signing of the last addendum of 2023, on 6 November, gave continuity to the Piers and Piles Agreement, an agreement between the Public Railway Infrastructure Management Entity (ADIF), the public entity ADIF-ALTA VELOCIDAD and the company Crea Madrid Nuevo Norte, S.A., originally signed on 19 February 2020 and previously amended and extended by an addendum on 13 April 2021. Within this framework, work began on laying the foundations for the track slabs south of Chamartín-Clara Campoamor Station.

- **2024 - Purchase of land from railway entities**

During 2024, the main milestone was the purchase in December of the land and development rights by Crea Madrid Nuevo Norte from the Public Railway Entities (Adif, Adif Alta Velocidad, Renfe Operadora and Renfe Ingeniería y Mantenimiento), the original owners of the land and development rights within the Chamartín and Fuencarral railway yards.

The purchase of land and urban development rights represents an entry of more than €1 billion on the balance sheet and is the best example of how collaboration between public administrations and private initiative can tackle major processes of transformation and modernisation in our cities, making them more prosperous and competitive.

In addition to this, the most significant milestones for the Company during 2024 were as follows:

- The by-laws of the Las Tablas Oeste Compensation Board were approved.
 - The pilot project to study Sustainable Urban Drainage Systems (SUDS) formally began, with the aim of assessing the best drainage techniques for removing pollutants from rainwater flowing through the streets within the development.
 - The consultation process with people with disabilities began to gather their views on future urban development projects in the Chamartín Business Centre and Malmea-San Roque-Tres Olivos areas.
 - Crea Madrid Nuevo Norte certified its Criminal Compliance and Whistleblowing Channel management systems.
- **2025 - Establishment of the first Madrid Nuevo Norte Compensation Board and progress in the coordination and management of the four areas (See image of the four areas in section “03.1.2 Madrid Nuevo Norte in Figures”)**

The most significant milestones in the urban planning of the Madrid Nuevo Norte areas during 2025 were as follows:

On 10 April 2025, the **Compensation Board for the APE 08.21 “Las Tablas Oeste”** was established, and it was registered in the Register of Urban Planning Entities (REUC) of the Community of Madrid in July of the same year. Following this registration, the Board acquired full legal personality, making it the first area in Madrid Nuevo Norte to reach this milestone.

The Urban Development Project for this area is currently awaiting final approval, having been initially approved in March 2025 and having successfully completed the public consultation process.

Furthermore, on 19 September 2025, the Compensation Board of APE 08.21 “Las Tablas Oeste” initiated **proceedings at Madrid City Council** regarding the project to expropriate the property and rights of the sole private owner not affiliated to the Board.

With regard to APE 08.20 “Malmea-San Roque-Tres Olivos”, on 27 May 2025 the City Council Plenary Session approved the initiative for the urban development of this area. The approval of the initiative marks the start of the processing of the **Urban Planning Project and the Draft Rules and By-Laws of the future Compensation Board**.

With regard to APR 05.10, the process for the PPRI began in June 2025, with the draft being submitted to the Community of Madrid together with the environmental documentation to initiate the strategic environmental assessment procedure, which is currently in the consultation phase.

Furthermore, with the aim of facilitating the coordination and effective management of common or shared infrastructures across the various areas of Madrid Nuevo Norte, both the MPG and the Framework Agreement recognise the need to establish an implementing body to bring them together: the Madrid Nuevo Norte **Coordinating Urban Development Entity**. In this regard, in May 2025, the areas submitted the draft by-laws of this entity to the City Council, with a view to obtaining their approval and proceeding with its incorporation and registration in the **Register of Collaborative Urban Development Entities** (REUC). At a meeting held on 9 October, the Governing Board of Madrid City Council agreed to give initial approval to the draft by-laws and to make them available for public consultation.

Furthermore, on 23 June, the Addendum extending the Framework Agreement was signed for the maximum period permitted by Law, namely for a further four years. On 24 June, the Addendum was published in the State Electronic Register of Public Sector Bodies and Cooperation Instruments, a requirement for its entry into force. The term of the Framework Agreement was initially due to expire on 21 July 2025.

With regard to the implementation of shared infrastructures between the four areas of Madrid Nuevo Norte and between some of them, the following points are worth noting:

- On 12 May 2025, the Project for Ordinary Urban Development Works on the Outlet to the Wastewater Treatment Plant and the **Stormwater Retention Tank** for Madrid Nuevo Norte (infrastructure shared between APE 05.31 “Chamartín Business Centre”, APE 08.20 “Malmea-San Roque-Tres Olivos” and APE 08.21 “Las Tablas Oeste”).
- On 18 September 2025, the Ordinary Urban Development Works Project for the Shared Infrastructures of Madrid Nuevo Norte was submitted, including the **Agustín de Foxá and Santo Domingo bridges** and the installation, as auxiliary construction infrastructure, of a plant for the management and treatment of waste generated during the execution of the urban development works in the areas.

03.1.3.2 Main actions

The main aim of the Chamartín - Clara Campoamor Station urban renewal project is to integrate the railway complex into Madrid’s urban fabric, transforming it into a modern, multi-functional space. This ambitious plan includes the complete renovation of the station, which will become one of the most advanced and iconic railway infrastructures in Europe.

The new Chamartín - Clara Campoamor Station will not only be a key high-speed rail hub, connecting Madrid with other regions of the country, but also the main transport interchange in the north of the city. This role will be reinforced with the construction of the Chamartín Interchange, which will facilitate mobility and improve accessibility for millions of passengers.

In addition to its importance as a transport hub, the Project will position the railway complex as the heart of Madrid's new business centre. This internationally renowned Business Centre will be a model of accessibility thanks to its direct connection to the station and its optimal integration into the public transport system.

The transformation of Chamartín Station - Clara Campoamor also includes the construction of 180,000 m² of modern offices that will give an economic and social boost to the area. This Project, which combines efforts from the public and private sectors, is an example of strategic collaboration that seeks to create a railway complex and a functional, sustainable urban space connected to the future.

Three associated preliminary designs have been drawn up for the ongoing refurbishment of Chamartín - Clara Campoamor Station:

1. **Preliminary Station Project**, overall preliminary project coordinating all preliminary projects.
2. **Preliminary Urban Development Project**, including roads and green areas.
3. **Preliminary project for a profit-making tertiary**, development comprising 180,000 m² of state-of-the-art office towers distributed between Calle Agustín de Foxá and Calle Bambú. The design includes an analysis of the building volumes, the flexibility of the programmes, the efficiency of the office floors and a vertical mobility study.

These Preliminary Projects have been drawn up in coordination with the draft Partial Interior Reform Plan (PPRI), the processing of which began in June 2025. The final versions of the preliminary projects must be consistent with the PPRI that is ultimately approved.

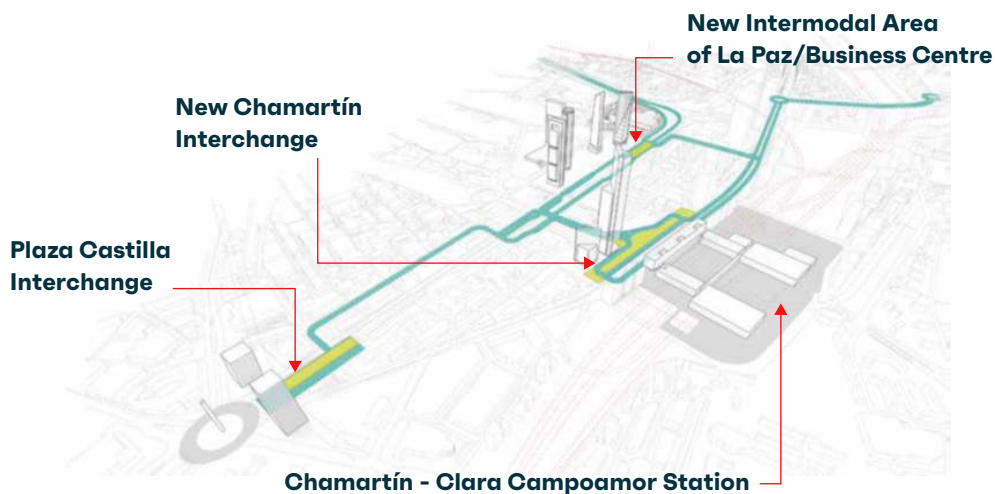
New Public Transport Network

The Project develops an innovative public transport model in line with citizens' demands, creating a large, hyper-connected and accessible network that connects commuter and high-speed rail networks with a new metro line and urban and interurban buses. The following analyses and conclusions are taken from the MPG Traffic and Mobility Study.

A new metro line with three stops (Business Centre, Fuencarral South and Fuencarral North) will be created, along with a new commuter station in the south of Fuencarral together with the renovation of the existing commuter station in the north of the area. Thanks to this model, 95% of homes and offices will be less than a 10-minute walk from an intermodal transport hub, encouraging public transport to become the preferred option for citizens.

This network will be linked by two new interchanges and other surface-level modal interchange areas:

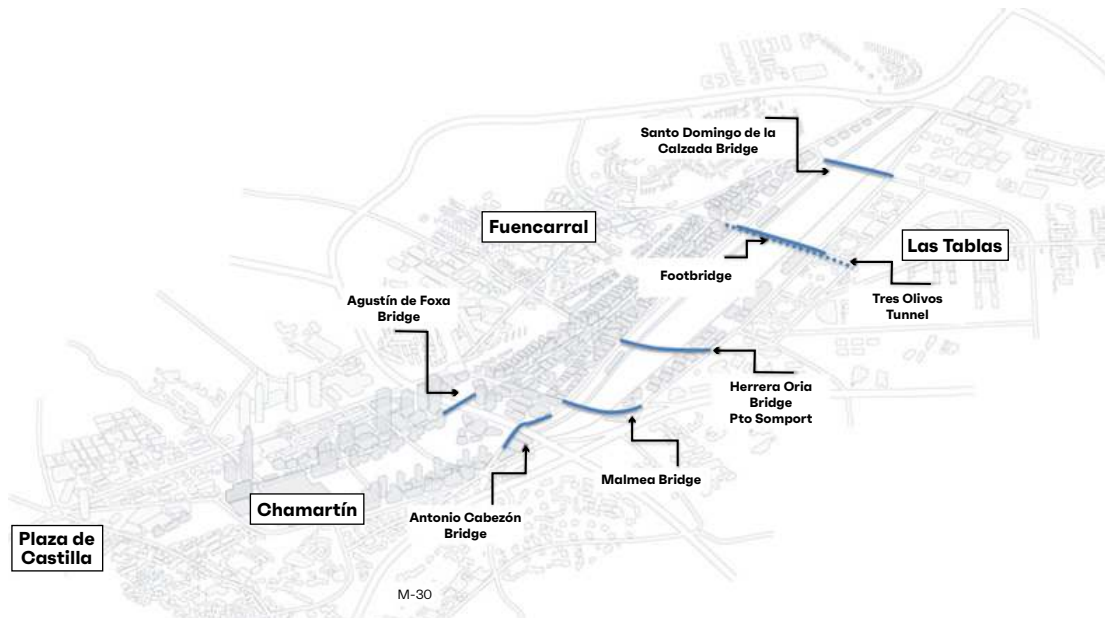
- **Chamartín interchange.** A large underground infrastructure next to the new Chamartín - Clara Campoamor station will be key for public transport throughout the north of the city, with a capacity for more than 105,000 passengers per day.
- **La Paz intermodal area.** A modal interchange area to be built over the last section of Paseo de la Castellana opposite La Paz Hospital and the Cuatro Torres and Caleido office complex, which will enable the reorganisation of the 40 intercity bus routes serving the area.
- **Surface interchange areas in Fuencarral,** the two new Metro stations and the two Cercanías stations located in the northern part of the Project area will be located less than 250 m apart, creating two powerful surface passenger interchange areas in the north of the area.



This new network is complemented by an extensive network of cycle paths and accessible, safe pedestrian routes, combining public transport with physical activity in everyday life, thereby bringing about a paradigm shift and minimising the use of private vehicles.

Connections between neighbourhoods

Another key aspect of this project is that it will seek to resolve the isolation of neighbourhoods historically separated by railway tracks. For this, 200,000 m² of track covering will be built, along with five new bridges, a tunnel, and a footbridge. All these new infrastructures will serve as a connection (north-south and east-west) between the new development and the rest of the city.



Green Areas

Madrid Nuevo Norte will create more than 400,000 m² of new green areas with two unique spaces:

- **The Central Park**, which will be built on the railway tracks in the Chamartín Business Centre area.
- **The Environmental Corridor**, which will complete the Prado-Recoletos-Paseo de la Castellana corridor, connecting the city with the nature of El Pardo and the Metropolitan Forest.



Water Management

As part of Madrid Nuevo Norte's significant commitment to sustainability, special attention will be paid to water management, replacing and improving six strategic hydraulic structures of the Canal de Isabel II (involving the renovation of more than 12 km of pipes, as included in the Urban Development Projects), expanding the use of reclaimed water and restoring the natural rainwater cycle through the widespread use of permeable soils.

Public facilities

The Project will allocate more than 250,000 m² of land to new public facilities that will serve not only to meet the educational, health and cultural needs of new residents moving to the area, but also the long-standing demand for public spaces in the neighbouring districts.

Houses

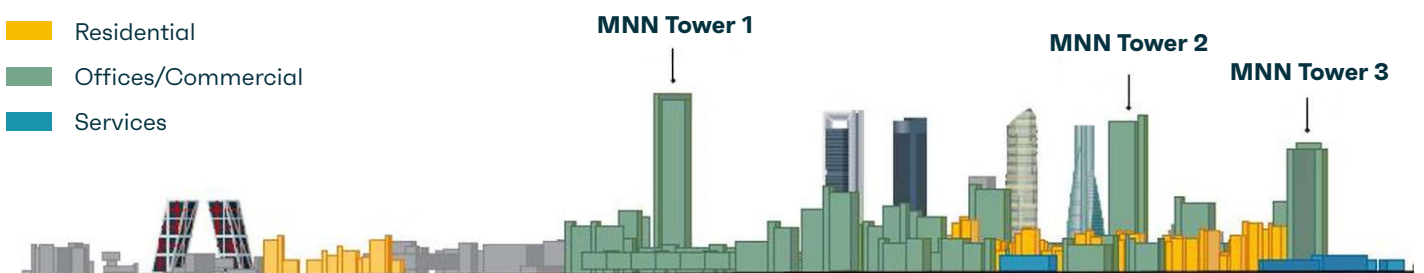
Madrid Nuevo Norte will build 10,500 new homes, of which approximately 38% will be subject to public housing policies, on municipally owned land. This percentage includes the 10% mandatory transfer to Madrid City Council, which will be used for residential purposes.

Business Centre

The Business Centre, which will be built next to Chamartín - Clara Campoamor Station and less than 15 minutes from Adolfo Suárez - Madrid Barajas Airport, according to a press release from the Ministry of Transport and Sustainable Mobility, will become an international benchmark to attract companies, talent and investment and generate quality employment. A Business Centre located around an innovative green space that will cover the railway tracks, which is accessible and vibrant, designed to conduct the most advanced economic activity and boost a knowledge-driven economy.

The new Business Centre will include advances in decarbonisation (more details in section “04.2 Measures to prevent pollution and mitigate GHG emissions”) and smart city technology, while preserving the identity and quality of life of traditional Madrid and offering an innovative residential concept linked to economic activity and attracting talent.

This Business Centre will transform Madrid's skyline with state-of-the-art offices adapted to the new needs of businesses, including the tallest tower in Spain, which could exceed 300 metres in height.



New road network

The streets that will structure Madrid Nuevo Norte and connect the neighbourhoods will be:

Environmental corridor. The new “Green Castellana” will extend north of the M-30 motorway through a green infrastructure, a linear network of parks that integrate climate-adapted plantings accompanied by pedestrian areas, cycle lanes and various facilities that bring nature into the city and connect it with the Metropolitan Forest, the Green Arch and the Upper Manzanares Basin.

Agustín de Foxá will be the backbone of Madrid Nuevo Norte, extending to connect Chamartín - Clara Campoamor Station with the new areas. It should be noted that this street will bring together most of the public transport network: urban buses, with a lane exclusively for buses and Metro. In addition, it will have a lower level for logistics traffic, office and residential parking in the Business Centre and bus access to the interchange.

Other major roads. The current road network formed by Calle Bambú and Avenida de Burgos will connect the M-30 with Calle Antonio de Cabezón, which, like Agustín de Foxá, will run lengthwise through Madrid Nuevo Norte, providing access to the two commuter train stations. The bridge that currently connects Calle Mauricio Legendre with Fuencarral will be widened and improved, becoming the main pedestrian and cycle access to the new green corridor.

03.1.3.3 Special plans (PE)

In addition to the main actions and construction projects for urban development and infrastructures, other plans of interest are currently being drafted, such as:

Purpose and Scope of the Chamartín Business Centre Special Plan

Special Plan for Public Networks for plots 07, 10, 11, 06, 08, 16, 33, 34, 35, 36 and 37 of the APE 05.31 “Chamartín Business Centre”.

Purpose-Scope PE CYII

Special Infrastructure Plan for the CYII and adaptation of the current planning regulations, within the scope of APE 08.20 “Malmea-San Roque-Tres Olivos” and its external developments. Relocation of pipelines for the Atazar Canal, Canal Alto, the Santillana Canal, and the new Valdelatas Reservoir.

Purpose-Scope PE SGF-SIP

Special Plan for the Amendment of the Detailed Development Plan for the APE 08.20 “Malmea-San Roque-Tres Olivos” Area, concerning the access to the Fuencarral railway yard and plot SIP-01-EE.

Furthermore, given its relevance for Madrid Nuevo Norte, monitoring and coordination of the specific actions and projects being worked on by the Public Administrations is being carried out: the expansion of the Wastewater Treatment Plant in Valdebebas, the Castellana underground railway line, North Junction Phase I (work completed) and Phase II, Fuencarral Junction (preliminary design completed), Metro Specifications (civil engineering and Special Plan), the new Chamartín Clara - Campoamor station, and the new Fuencarral Sur commuter station.

03.1.4 Contribution of Madrid Nuevo Norte to sustainable development

The Sustainable Development Goals (SDGs) are a call from the United Nations to all countries in the world to address the major challenges facing humanity. Their aim is to ensure that all people have the same opportunities and can lead a better life without compromising the future of our planet.

The SDGs are a framework to analyse, understand and measure the impact of urban development projects on cities. For this reason, many global cities align their strategies and voluntary local reporting with them.

Madrid is one of these global cities and, since the creation of the 2030 Agenda, has shown a commitment that materialised in March 2021 with the drafting of the Strategy for Localising the Sustainable Development Goals of the 2030 Agenda in the City of Madrid.

In March 2023, Madrid City Council published its Voluntary Local Review, a report that aims to review the city's efforts to achieve the 2030 Agenda for Sustainable Development. It is a document that promotes specific and collaborative actions towards the implementation of the Sustainable Development Goals.



Madrid Nuevo Norte has contributed to the achievement of the SDGs since its inception. In this context, in 2021, Crea Madrid Nuevo Norte began collaborating with Madrid City Council to align the Project's contribution with the municipal strategy and turn it into a driving force that will enable the city to achieve its goals.

Therefore, to demonstrate its commitment to contributing to the 2030 Agenda, Crea Madrid Nuevo Norte decided to identify, determine and analyse the impacts that the urban development project will have on its surroundings using a methodology developed by UN-Habitat in collaboration with Madrid City Council, which provides scientific rigour to the measurement.

The Project was highlighted in Madrid's Voluntary Local Review with a special chapter reflecting its relevance and the scale of its development.

Thanks to this collaborative effort with Madrid City Council, Madrid will seek to position itself as one of the world's leading cities in terms of moving towards local goals and thus fulfilling the commitments and development goals set out in European plans.

Madrid Nuevo Norte is expected to contribute to the SDGs, as reflected below, according to the Madrid Voluntary Local Review report by Madrid City Council 2023:



End of poverty:

- The Project will have a significant impact on the regional and national economy. Job creation will generate opportunities and a better quality of life for all citizens, which will boost economic recovery.



Zero hunger:

- In line with the eradication of hunger, economic growth will be sustainable, inclusive, and equitable, thereby improving the basic living standards of the population.



Health and well-being:

- The Project will have a citizen participation plan to create an environment that promotes well-being.
- The aim is to improve citizens' health by promoting physical activity and reducing pollution. For this, cardio-healthy routes and sports areas that promote mental health will be created, pedestrian walkways and segregated cycle lanes will be designed, health facilities will be expanded and contaminated land will be regenerated.



Quality education:

- The urban development project proposes the construction of two public schools and a secondary school with more than 3,000 places, which will contribute to quality education.



Gender equality:

- Meetings have been held with residents and community groups have been listened to in order to build a city that meets people's needs.



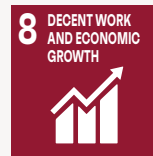
Efficient water management:

- Madrid Nuevo Norte has implemented measures for water reuse, with a new reclaimed water network for irrigation of public green areas and street cleaning.
- Water efficiency in buildings and infrastructure has been improved.
- Sustainable drainage systems have been incorporated on an urban scale for collection, retention, and infiltration.
- Kilometres of Canal de Isabel II facilities, which supply 80% of the capital's population, will be renovated and upgraded, and work is also underway to reduce drinking water consumption by 50%.



Use of clean energy:

- A progressively decarbonised energy system will be implemented, and the use of renewable energies will exceed building regulations.
- There is also a commitment to sustainable and electrified means of transport as opposed to using fossil fuels, and to the construction of buildings with higher energy efficiency requirements to build nearly zero-energy buildings (generating up to twice as much renewable energy in private buildings and up to four times as much in public buildings).
- The possibility of implementing district-scale heating and cooling networks is also being analysed, which would mean significant savings and more rational management.



Decent jobs and economic growth:

- Sustained economic growth drives progress and creates decent jobs.
- Madrid Nuevo Norte will have a significant positive impact on the regional and national economy.
- 350,000 jobs will be created in connection with the Project, reducing the unemployment rate in Madrid by 1.7% by 2030. In addition, it will contribute €15.2 billion to the country's GDP.



Industry, innovation and infrastructures:

- Madrid Nuevo Norte offers a new way of building, seeking to make new homes and the city sustainable and smart, creating, for example, a public space with a wind garden and sensory areas of light and sound.



Reducing inequalities:

- Part of the wealth generated will be distributed between Madrid and other autonomous communities. As can be seen in the report produced by the UCM and the UAM, which are mentioned in this Non-Financial Report, the Project will have a direct impact on the local, regional and national economy, contributing to the GDP of Madrid and other territories such as Catalonia, Castilla La Mancha, the Valencian Community and the rest of the autonomous communities.



Achieving a sustainable city and community:

- Madrid Nuevo Norte is developing a dense, mixed-use urban model that will create new public transport connections, cultural facilities, new green areas and open spaces for public use, designed for the well-being of people.
- Similarly, more efficient use of available natural resources will make the city more sustainable.
- Citizen participation has also been encouraged to involve residents in the design and responsible use of the city, and measures have been developed to mitigate the impact of construction work while urbanisation is underway, among other things.



Responsible production and consumption:

- Madrid Nuevo Norte has a sustainability strategy, and its goals include efficient water and waste management to help boost the economy, as set out in the MPG's Sustainability Strategy and subsequently developed in the corresponding Master Plans.



The fight against climate change:

- Madrid Nuevo Norte is collaborating in the mission to achieve climate neutrality in cities. To tackle the climate emergency, work is being conducted on everything from naturalising the urban environment to absorb carbon dioxide to techniques for reducing the heat island effect (increased temperatures in public spaces due to the creation of unwanted micro-climates) through the appropriate selection of materials and vegetation, as well as the inclusion of elements that provide shade and improve thermal comfort.



Life below water:

- The increase in capacity and improvement of the treatment systems at the Valdebebas Wastewater Treatment Plant (WWTP) contributes to reducing pollution in the Jarama River from the stream in Valdebebas to the Henares River, which is part of the interconnected hydrological system of the Tagus River basin, which in turn flows into the Atlantic Ocean and therefore has a positive impact on target 14.1 to reduce pollution in seas and oceans.



Life on land:

- Madrid Nuevo Norte will have an extensive network of green areas and public open spaces, allowing the biodiversity of the Sierra de Madrid to penetrate the city.



Peace, justice, and strong institutions:

- The Project is committed to legality and acts with honesty, integrity, and transparency.



Partnerships to achieve the goals:

- Madrid Nuevo Norte is a benchmark for public-private collaboration.

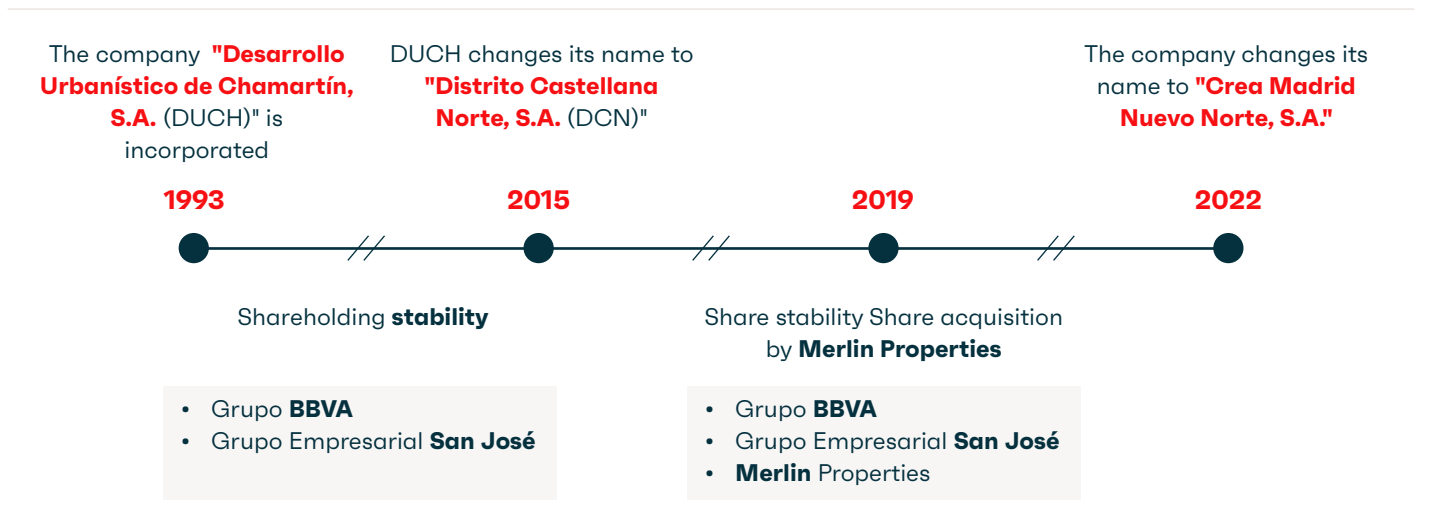
03.2 General information about the Company

03.2.1 Business model of Crea Madrid Nuevo Norte

03.2.1.1 About the Company

During its more than 30 years, the Company has gone through several phases in which its name and shareholding structure have evolved:

- **Until 2015:** The company **“Desarrollo Urbanístico de Chamartín, S.A.”** (DUCH) was incorporated, with shareholdings held by Grupo BBVA and the Grupo Empresarial San José, with the sole aim of promoting and developing the project awarded by Renfe, then a subsidiary of the Ministry of Public Works.
- **Since 2015:** DUCH changed its name to **“Distrito Castellana Norte, S.A.”** The Project grew in scope and prepared to begin the next stage.
- **In 2022,** Distrito Castellana Norte, S.A., with Merlin Properties as a shareholder since 2019, changed its name to **“Crea Madrid Nuevo Norte, S.A.”** to reflect that it had moved beyond the planning phase and was consolidating its activity in the urban management and execution phase.



03.2.1.2 Main activity of the Company

Crea Madrid Nuevo Norte is the Company with a majority stake in the land and urban development rights for Madrid Nuevo Norte; together with Madrid City Council, the other landowners and various stakeholders, it is responsible for providing the necessary technical services and overseeing the overall coordination of the entire Project.

03.2.1.3 Corporate purpose

The Company's purpose is to carry out all types of real estate activities, including the construction, ownership, operation, leasing, disposal, management and administration of buildings, commercial facilities and all types of real estate, and the study, promotion, management, operation, consulting or execution of real estate, urban development and commercial projects.

03.2.1.4 Location of registered office

Crea Madrid Nuevo Norte is located at Paseo de la Castellana 216, floor 15, 28046, Madrid.

03.2.1.5 Scope of development and location of the Company's activity

Crea Madrid Nuevo Norte focuses its activity on providing Madrid with a project that will be a driving force for change in the city and a great strategic opportunity for it to make a qualitative leap forward among the major European capitals. The scale of the Project means that it must be considered a national project, with effects on employment and GDP that will benefit the whole of Spain, as shown by the study carried out by the Autonomous University of Madrid, based on data extracted from the specific modification file of the General Urban Development Plan of Madrid (PGOUM).

03.2.2 Crea Madrid Nuevo Norte in figures

Crea Madrid Nuevo Norte currently has net assets of over €519 million, and at the end of the 2025 financial year – the most recent year for which results have been published – its total assets, according to the audited financial statements, exceeded €1,349 million.

03.2.3 Organisation, legal form, and Company structure

03.2.3.1 Ownership and legal form

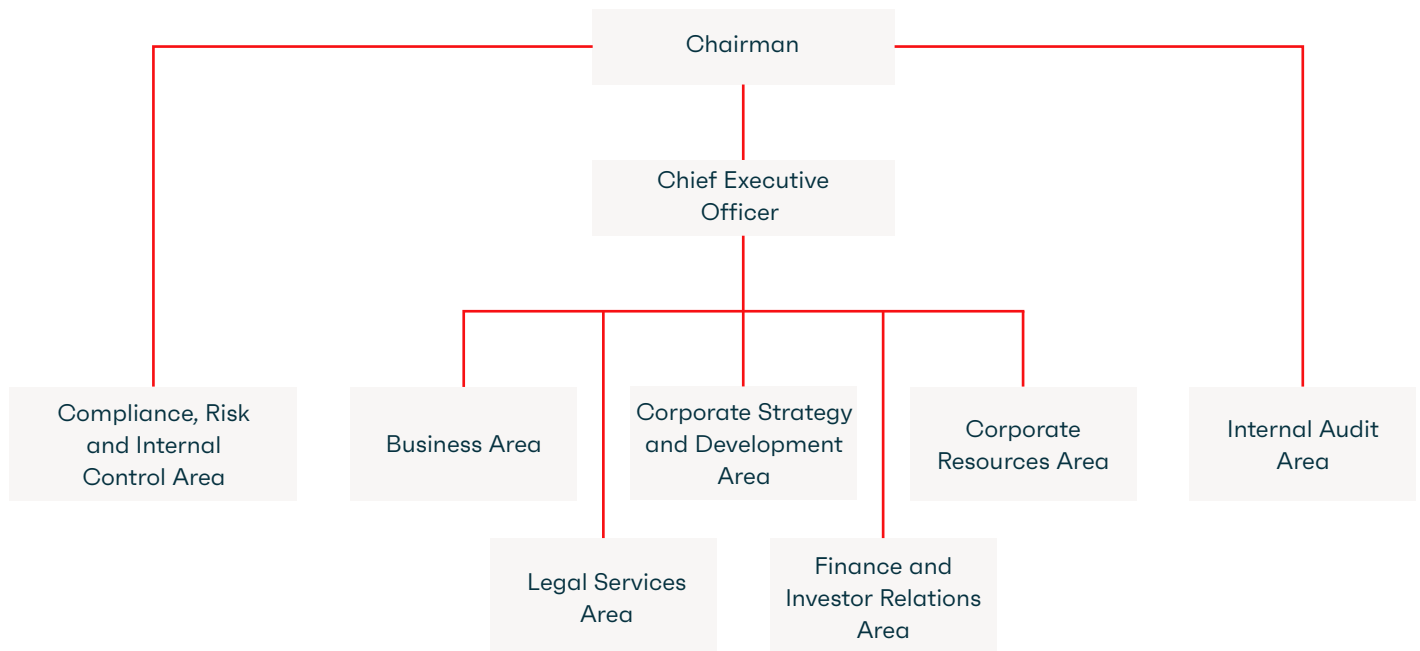
The Company Crea Madrid Nuevo Norte, S.A. is a legal entity majority owned by Grupo BBVA, with two other shareholders, Merlin Properties and Grupo San José.

- **Inverahorro, S.L.** (subsidiary of Grupo BBVA), **75.54%** stake.
- **Merlin Properties SOCIMI, S.A.**, **14.46%** stake.
- **Desarrollos Urbanísticos Udra, S.A.U.** (subsidiary of Grupo Empresarial San José), **10.00%** stake in the share capital.

The Company was incorporated in 1993 as a result of a tender called by RENFE for the preferential awarding of certain land and urban development rights in connection with the urban development of the Chamartín railway site.

In December 2024, the deed for **purchase and sale of the land and rights of use** of the Public Railway Entities within the Madrid Nuevo Norte area was formalised in favour of Crea Madrid Nuevo Norte.

03.2.3.2 Structure



03.3 Company strategy and goals

As detailed in section “03.2.1 Crea Madrid Nuevo Norte Business Model”, its aim is to promote, in collaboration with Public Administrations and other private owners, the urban regeneration project known as Madrid Nuevo Norte, establishing sustainability as an element of its development from a social, environmental, and economic perspective.

Among the goals and strategies set out in the Project and guiding the activity being carried out by Crea Madrid Nuevo Norte are the following, which are discussed in depth in section 04: “The urban transformation of a city that preserves and cares for its environment”, and section 05: “The urban transformation of a city that involves citizens and the team”, of this Report:

- **Urban integration:** the Project aims to resolve the division created by the railway facilities in the north of the city, connecting neighbourhoods that have been divided and isolated by the railway tracks for decades. The covering of the railway tracks, as well as the planned construction of new bridges, tunnels, transport hubs and buildings, will renew the urban structure of modern-day Madrid. The Project has the potential to improve the quality of life of Madrid's residents thanks to the creation of new homes, large green areas, public facilities such as educational, health, cultural and sports centres, and high-quality public spaces.
- **Improvement of environmental conditions:** One of the fundamental goals of the Madrid Nuevo Norte development is to provide an environment where environmental values are designed as another element of the urban fabric. Madrid Nuevo Norte is therefore presented as an urban and natural space capable, not only of optimising and regenerating natural resources, but also of creating and improving them, constituting in itself an ecological system that provides the city of Madrid with valuable ecosystem services.
- **Improved mobility:** In Madrid Nuevo Norte, public transport has been the main focus of the design, around which the urban plan has been developed, as analysed in the MPG's Traffic and Mobility Study. The Project breaks with a design inertia closely linked to the 20th century, when designs prioritised private vehicle travel. In addition to the extensive public transport network, which is being developed from the Chamartín - Clara Campoamor station, the compact, mixed-use urban design itself reduces mobility needs, making walking and cycling a priority option. The redevelopment of Chamartín - Clara Campoamor Station and the expansion of public transport services will enable a more sustainable model to move in the city of Madrid and with the rest of Spain, with the aim of creating a single high-speed rail system for the whole of Spain. This is a compact city model that aims to enable people to live, work and access the necessary services without having to travel long distances. All this in an environment that aspires to save millions of journeys and thus reduce the carbon footprint, with streets designed for walking, large public spaces and a comprehensive network of cycle lanes.

03.4 Company's action plan

03.4.1 Main challenges

A consensus-based project

Madrid Nuevo Norte is a consensus-based project within an urban development plan that managed to establish an agreement between all parties involved:

- Community of Madrid.
- Ministry of Public Works.
- ADIF, ADIF-Alta Velocidad, Renfe Ingeniería y Mantenimiento and Renfe Operadora.
- Other Public Administrations.
- Political groups represented on the City Council.
- Citizens and residents.
- Private developers.



Urban planning approach

In the Madrid that is being created, the aim is to make essential services accessible to everyone. A dense and compact city model that translates into an urban environment where practically everything you need is less than a 10-minute walk from high-capacity transport, a friendlier place designed for people. Schools, parks, health centres, shops, museums... will coexist and intermingle with homes and offices.

Smart City

A true smart city is not one that has the most technological devices, but one that is capable of incorporating innovation and technology in a coherent manner, with the aim of improving the lives of its citizens.

The creation of a smart district in Madrid Nuevo Norte seeks to exploit the true potential of a digital city: to serve people in decision-making, improve their quality of life and achieve a more environmentally and socially efficient environment.

Innovation and social involvement

Madrid Nuevo Norte proposes new solutions to latent problems and challenges in the surrounding neighbourhoods and throughout the city, focused on improving people's quality of life through innovative forms of collaboration between businesses, Public Administrations and civil society.

Social innovation in Madrid Nuevo Norte translates into new processes, practices and methods for carrying out initiatives that involve the participation of residents and community groups. These become actors in their own development, thus strengthening their sense of belonging and becoming agents of change in their own neighbourhoods.

The main aim of these initiatives is to involve civil society as a whole in the search for more effective responses to citizens' demands, focusing on important issues such as urban-rural balance and the introduction of a gender perspective in urban design.

Revitalising neighbourhoods and bringing people together

Madrid Nuevo Norte is following a growing trend among the world's major cities: taking advantage of the opportunity offered by degraded land, usually occupied by transport infrastructure or disused industries, in their central areas.

There are many advantages to regenerating urban voids rather than expanding the city with new developments: not only does it connect isolated areas and improve mobility, but it also optimises natural resources and makes facilities and infrastructures available to more citizens, making cities more sustainable.

The design of Madrid Nuevo Norte is not being implemented as something alien to its surroundings, but is fully integrated into the existing city, extending the streets, preserving the character and identity of the neighbourhoods surrounding the Project and highlighting their historical and cultural heritage.

03.4.2 Key activities

Establishment of the Compensation Board for the Las Tablas Oeste Area. (See image of the four areas in section “03.1.2 Madrid Nuevo Norte in Figures”)

At its meeting on 25 April 2024, the Council of Government of the City of Madrid gave its initial approval to the Project By-Laws and Rules of Procedure to create the Compensation Board for APE 08.21 Las Tablas Oeste. This agreement was published in the Official Gazette of the Community of Madrid on 22 May 2024, opening a twenty-day public information period. All affected property owners within the area were also notified individually. Subsequently, at its ordinary meeting on 18 July 2024, the Governing Board definitively approved the aforementioned project, and the agreement was published in the BOCM on 12 August 2024.

Finally, the Compensation Board was established on 10 April 2025 and registered in the Register of Urban Development Entities of the Community of Madrid on 17 July 2025.

Approval of the Malmea-San Roque-Tres Olivos Area initiative.

The Madrid City Council, at its plenary session on 27 May 2025, approved the initiative for the urban development of APE 08.20 “Malmea-San Roque-Tres Olivos”, paving the way for the start of the processing of the Project By-Laws and Rules of Procedure for the establishment of the Compensation Board and the drafting and processing of the Area’s Urbanisation Project.

Promotion of the management and coordination of the common and shared infrastructures of Madrid Nuevo Norte.

With the aim of facilitating the coordination and effective management of the common and shared infrastructures across the various areas of Madrid Nuevo Norte, both the MPG and the Framework Agreement recognise the need to establish an implementing body to bring them together.

Accordingly, in May 2025, the stakeholders submitted the draft by-laws of the Madrid Nuevo Norte Coordinating Urban Development Entity to the City Council, with a view to obtaining approval and proceeding with its incorporation and registration in the Register of Urban Development Entities (REUC).

With regard to the implementation of common and shared infrastructures, it is worth noting that, in May and September, the draft plans for the standard urban development works for the outlet to the WWTP and the Madrid Nuevo Norte stormwater tank (infrastructure shared between APE 05.31 “Chamartín Business Centre”, APE 08.20 “Malmea-San Roque-Tres Olivos” and APE 08.21 “Las Tablas Oeste”, and the Ordinary Urban Development Works Project for the Common Infrastructures of Madrid Nuevo Norte, respectively).

Design of the Action: **Climate Action Demonstration Area** (whose development is described on page 45 of this Non-Financial Report). Aware of the complexity of the regulatory and technical challenges to be overcome in order to achieve effective sustainable innovation, Madrid City Council has created the Climate Action Demonstration Area (ADAC), with the Chamartín Business Centre in Madrid Nuevo Norte being the first area to adopt this model. This space aims to promote environmental excellence and advance the decarbonisation of the city, exploring the possibility of reducing emissions in the future business district.

For this, technical, administrative, and legal challenges are analysed, and mechanisms are implemented to overcome obstacles to innovation, as set out in an Action Plan that is reviewed every three years. In addition, a Monitoring Committee has been established with representatives from the City Council, the Community of Madrid, and landowners, which oversees compliance with climate goals and assesses regulatory, technical and governance issues.

In 2024, the ADAC Monitoring Committee was established which has formed working groups on the key issues currently being addressed:

- Working Group on Sustainable Urban Drainage Systems (SUDS) and the use of reclaimed water on private plots for irrigation of green areas and toilet flushing.
- Energy Working Group, which will address issues related to the possible implementation of a district cooling and heating network in the Business Centre area.

Several working sessions have been held in both groups.

Design of the action: **SUDS Pilot Project**

During this 2024 financial year, the construction and implementation of a pilot project for Sustainable Urban Drainage Systems should be highlighted. The aim of this project is to qualitatively and quantitatively verify the effectiveness of two sustainable urban drainage techniques for treating rainwater run-off from roads and car parks.

Monitoring work began in 2024 and will continue throughout 2025 and 2026. The results of this test are expected to be incorporated into the final design of the SUDS in Madrid Nuevo Norte, provided that the results are favourable and technically and economically viable.

The pilot project has also helped to promote the digitisation of the construction processes that will be carried out in the future in Madrid Nuevo Norte. Taking the execution of the SUDS pilot project as a starting point, different technological and digital data collection methods have been tested for the control and progress of the works, such as data capture systems using drones and mobile phones.

In 2025, the Biodiversity Working Group was established with the aim of defining a system of measurement indicators and selecting plant species that promote biodiversity and ecosystem services in densely populated urban environments.

Working sessions have been held within the existing technical groups, with progress made on developing criteria for the use of reclaimed water, identifying measures to improve its quality, and reviewing administrative aspects relating to the roll-out of district networks.

Development of **New Projects** and execution of **New Assignments**, including, among others:

- *Environmental impact studies* for urban development projects, in accordance with the requirements of the new environmental regulations.
- *Due diligence* on land subject to purchase and sale with railway companies.
- *Analytical characterisation* of potentially soil-polluting activities on various properties in the urban area.

Updating the study of the ownership of the Project's properties, including the preparation of individual property files and coordination. In order to assist with management tasks in this field, we are working, among other things, on the development of an inventory viewer that will allow quick and easy access to information, data, and location.

It should be noted that all projects are being drafted using *Building Information Modeling* (BIM) methodology, in accordance with the procedures that **have enabled Crea Madrid Nuevo Norte to obtain ISO 19650 certification for BIM information management**, thereby accrediting the organisation and digitisation of information relating to building and civil engineering works.

The certificate, which was obtained in coordination with the relevant authorities, has been renewed for the current 2025 financial year, with its scope extended to include construction management. This new milestone reinforces the Company's commitment to quality, technology, and efficiency, driving the digital transformation of the property and construction sector.

A platform for the digital management of design projects was implemented as part of the Project digitisation strategy. This tool, together with the BIM methodology, improves the quality of projects by optimising coordination between designers, authorities, projects, services, and their environment. It also facilitates better decision-making in the early stages of design, thereby reducing incidents during execution. The strategy includes the creation of a digital twin to serve as a basis for decision-making on projects, drawing on up-to-date and constantly evolving information.

03.5 Company values and policies

Crea Madrid Nuevo Norte is subject to a Code of Conduct and Values and Behaviour, approved by its Board of Directors, which determine its purpose, principles and guidelines to be followed by Crea Madrid Nuevo Norte professionals to ensure the development of ethical and responsible conduct by the Entity, as well as various Policies applicable to its different activities.

03.5.1 Code of Conduct

The entire workforce has signed the letter of adherence to the Code of Conduct and Compliance Policies (Anti-Corruption, Prevention of Criminal Risks, Conflicts of Interest and the Internal Reporting and Whistleblower Protection System) and, the members of the Board of Directors and Management Committee of Crea Madrid Nuevo Norte also sign an annual declaration of compliance with the Code of Conduct and Compliance Policies of Crea Madrid Nuevo Norte, S.A.

03.5.2 Values and behaviour

The Board of Directors has also approved the Company's Values and Behaviour, which establish the guidelines to be followed to ensure that conduct is in line with the values that define Crea Madrid Nuevo Norte's identity and set out the attitudes that, when applied on a daily basis by all the Company's employees, enable it to achieve its Purpose: to make the opportunities of this new era available to everyone and to leave future generations cities that symbolise the best of who we are and what we can be.

The Company's core values are:

OUR BEHAVIOUR			
VALUES	KEY BEHAVIOURS		
Citizens come first	We create city	We are honest	We solve needs
We think big	We are ambitious	We are entrepreneurs	We surprise
We are one team	I am committed	I trust someone else	I am Crea Madrid Nuevo Norte

And, in terms of the Company's behaviour, integrity stands out as the core of everything Crea Madrid Nuevo Norte does, with principles of action that involve:

- Abiding with the values of the Company.
- Acting with honesty, respect, and responsibility in our relationships with customers, colleagues, society, and the Company itself.
- Knowing and respecting the limits by complying with the laws and regulations in force at all times.
- Avoiding and taking action against inappropriate behaviour.

03.5.3 General policies

The main policies of Crea Madrid Nuevo Norte are as follows:

- Anti-Corruption Policy.
- Criminal Risk Prevention Policy.
- Conflict of Interest Policy.
- Internal Reporting System and Whistleblower Protection Policy and Management Procedure.
- Risk Control and Management Policy.
- Purchasing Policy and its implementing regulations.
- General Information and Communications Security Policy.

It should be noted that all policies and procedures are reviewed periodically and updated as necessary, and approved by the relevant bodies and committees.

Furthermore, on 17 December 2025, the Board of Directors approved the Company's Sustainability Policy, with the aim of strengthening the environmental, social and governance initiatives undertaken by CreaMNN, as a benchmark for one of Europe's largest urban development projects. This policy now forms part of the Company's internal regulations.

03.6 Main risks facing the Company

03.6.1 Risk identification and quantification

The Board of Directors of Crea Madrid Nuevo Norte has approved a Risk Control and Management Policy that defines the Comprehensive Risk Control and Management Model and establishes the principles for identifying, analysing, evaluating, managing, and communicating the risks associated with the Company's strategy and operations.

The Model is structured around three lines of defence and a governance framework that corresponds to a decision-scaling process:

- First line, comprising the Business and Support Areas, responsible for managing operational risks – including compliance and behaviour – in its products, activities, processes, and systems.
- Second line. Compliance, Risk, and Internal Control Area, which maintains the Operational Risk management model and assesses its degree of implementation. The goals and functioning of this area are detailed below:

The Compliance, Risk and Internal Control Department reports directly to the Board of Directors and, together with the first line, develops “activity monitoring programmes” carried out by the operational areas of Crea Madrid Nuevo Norte. It is informed of any new project or area to be undertaken in order to identify and mitigate the risks involved, thus enabling risk management to be incorporated into strategic decisions.

Crea Madrid Nuevo Norte has an Internal Reporting and Whistleblower Protection System as a formal mechanism to communicate or report irregularities, with one of the guiding principles of its operation being the protection of anyone who reports any irregularity covered by the system.

In compliance with the requirements of Law 2/2023, in November 2023, Crea Madrid Nuevo Norte’s Board of Directors approved the Internal Reporting System and Whistleblower Protection Policy, as well as the Procedure setting out the principles and guarantees for the proper management of the Internal Reporting System.

Crea Madrid Nuevo Norte’s Internal Reporting System consists of the Crea Madrid Nuevo Norte Whistleblower Channel, which can be accessed quickly and easily from its website.

Within the Whistleblower Channel on the Company's website, users will have access to:

- The platform itself for managing complaints, which states that its use must be lawful and not deliberate.
- Crea Madrid Nuevo Norte’s Code of Conduct and Values and Behaviour.
- The Internal Reporting System and Whistleblower Protection Policy.
- Criminal Risk Prevention Policy.

With regard to the Compliance System, Crea Madrid Nuevo Norte benefits from the involvement of its governing bodies, namely the Board of Directors, which sets the Company’s general policies, monitors the decisions taken and oversees the implementation of those Policies; the Steering Committee, which, amongst other functions, acts as an internal control body and coordinates the application of policies and procedures; the Company’s management team, which promotes a culture of compliance within the organisation and implements the systems, processes and controls necessary for managing the various risks; the Compliance function, integrated as an independent second line of defence, and the Criminal and Conduct Risk Prevention and Management Committee, as the collegiate body responsible for the prevention and management of criminal risks and conduct, as well as the Internal Control Body for the prevention of money laundering and financing of terrorism, which was established in 2025. The Policy on the Prevention of Money Laundering and Financing of Terrorism, adopted by the Board of Directors on 24 September 2025.

- Third line. Internal audit that measures how the first and second lines of defence are doing.

The Internal Audit Department is the third line of defence for the Company. It is part of the internal control system that principally gives the Crea Madrid Nuevo Norte’s Board of Directors and Management Committee an independent and informed view of the most important risks facing the Company's businesses and activities, as well as the quality of the internal control system on which the management and administration of its operations and assurance services are based. The Internal Audit Plan for the 2025 financial year was approved by the Board of Directors on 19 February 2025. It is important to note that the recommendations and action plans included in the internal audit reports issued in 2025 have been implemented before the expiry date.

Internal Audit is not an executive body of Crea Madrid Nuevo Norte and maintains a position of independence from the various departments and activities it assesses, assuming no responsibility for the processes and operations reviewed, and carrying out its work with integrity, objectivity, and independence. The scope and governance model of the Internal Audit Department are defined in a By-law for this function approved by Crea Madrid Nuevo Norte’s Board of Directors.

03.6.2 Risk management and mitigation tools

In 2024, Crea Madrid Nuevo Norte renewed accredited certification under the UNE 19601:2017 standard on Criminal Compliance Management Systems, which demonstrates the high degree of compliance of Crea Madrid Nuevo Norte's internal organisation and procedures with the requirements established by the Standard. The aim is to foster a culture of ethics and corporate compliance, as well as to prevent the commission of crimes, by implementing a Criminal Compliance Management System – which includes the Anti-Bribery Management System – designed to mitigate any risks of this nature within the Company.

Consequently, these certifications reinforce Crea Madrid Nuevo Norte's ability to prevent and manage criminal risks by ensuring the existence of internal control mechanisms that act as safeguards against potential breaches.

The Company renewed the Bureau Veritas certification for its Whistleblowing Channel Management System, based on the ISO 37002:2021 standard, which demonstrates Crea Madrid Nuevo Norte's commitment to promoting an environment that allows for the reporting of possible irregularities by establishing procedures for receiving and managing complaints of behaviour contrary to its Code of Conduct and applicable regulations.

The urban transformation
of a city that preserves and
cares for its environment



04

The urban transformation of a city that preserves and cares for its environment

Project

Madrid Nuevo Norte aims to become an international benchmark in sustainability and innovation, addressing three fundamental areas: social, economic, and environmental. Its overarching goal is to improve the quality of life of its residents and users.

To achieve this, the Madrid Nuevo Norte Project aims to align itself with the main global, national, and local initiatives, as well as with leading international projects in urban sustainability, so as to turn Madrid into one of Europe's leading cities, focused on people and value-added economic activity.

From its planning phase, as indicated in the MPG's Sustainability Strategy developed in the Landscape Master Plan, the Project includes the creation of new green spaces. Thanks to its strategic location, close to the valuable natural environments of El Pardo and the Upper Manzanares Basin Regional Park, a green corridor is proposed that will act as the structural corridor of the development. This corridor will not only connect Madrid with El Pardo, integrating the park into the city, but will also promote biodiversity by incorporating plant species adapted to Madrid's climate. These plants, which require little water, will be selected to ensure user comfort, which is the central focus guiding the design.

The naturalisation of the city is presented as a mechanism for its adaptation to climate change. This approach takes natural processes as a reference to coexist with the environment, regulating temperature, improving atmospheric humidity, and reducing pollution. The introduction of vegetation will contribute to the city's thermal regulation, generating more comfortable micro-climates and mitigating the heat island effect, a crucial aspect in the face of progressive warming and the increase in the frequency and duration of heat waves. In addition, the incorporation of nature into the urban environment will also contribute to improving air quality.

The Project aims to be a benchmark for sustainable urban development. Some examples regarding water include actions based on the creation of recreational water sources, smart irrigation systems, and rainwater management through sustainable urban drainage systems.



04.1 Certifications

Madrid Nuevo Norte aims to meet the most demanding sustainability standards. To achieve recognition through external and independent audits, the Project simultaneously obtained *LEED for Communities Plan and Design Gold pre-certification* (the second highest of the four levels awarded) and the provisional BREEAM ES Urban Development certificate, two of the most prestigious sustainability seals in the world.



Thanks to this recognition, it has become the first urban regeneration project of this scale in Europe to obtain both provisional certificates simultaneously, thus consolidating its position as an international benchmark in the field of sustainable urban development. This achievement reinforces the position of Madrid Nuevo Norte as one of the most innovative and advanced urban developments in terms of urban sustainability in Europe.

Under the remit of the Management Committees for the different urban areas, work is underway to obtain final certification for Madrid Nuevo Norte. This process will not only integrate current commitments into future urban development projects in these areas, but also involve simultaneous work on key aspects that will enable each of them to achieve the best possible rating. For this, action plans have been approved by the Management Committees for the areas to achieve the goals of these certificates.

04.2 Measures to prevent pollution and mitigate GHG emissions

Madrid Nuevo Norte aims to be a benchmark in environmental sustainability, and for this reason, the Project includes design and management measures aimed at reducing the main sources of air pollution and greenhouse gas emissions.

- The **Mobility Strategy** is based on the development of a city model that promotes the use of public transport and reduces traffic congestion (see page 32 for detailed information).
- The **Energy and Decarbonisation Strategy** for Madrid Nuevo Norte is undoubtedly another of the pillars, including measures aimed at intensifying the implementation of clean technologies that enable self-consumption and energy sustainability. The Project aims to be a benchmark for low environmental impact by proposing a model based on energy decarbonisation, improving the efficiency of energy generation systems, on-site renewable generation and the development of an electrical infrastructure that enables the deployment of electric vehicles. Some of these measures have been incorporated into the MPG's Sustainability Strategy and are therefore mandatory in the implementation of the plan. In other cases, the need to analyse their technical and economic feasibility has been established.

The urban planning regulations applicable to Madrid Nuevo Norte aim to make this area a national benchmark in air pollution prevention. For example, building projects must be designed with a maximum primary energy consumption limit of 0.85 compared to that indicated in the Technical Building Code at the time of construction. This exceeds one of the requirements of the European taxonomy for considering that an economic activity in real estate development significantly mitigates climate change, as it sets this limit at 0.9.

Another significant action that will contribute to decarbonisation will be the large Business Centre crowned by the covering of the Chamartín - Clara Campoamor railway tracks, on which the large Madrid Nuevo Norte Central Park will be built. Its layout around a large green space and its characteristics as a hub of intense economic activity that also promotes compatibility with other uses will allow its impact to be projected to other areas with a high business presence, directly integrating different sectors into the roadmap towards greater energy efficiency, not only in terms of urban planning and construction, but also in terms of future operation and the coexistence of work, residential, leisure and recreational uses, shaping a more sustainable urban model from a climate perspective. The Project will also include established processes to prevent air, soil, vibration, noise, and light pollution.

In short, the decarbonisation of the city, the generation of renewable energy, measures to replace fossil fuels with electricity and a commitment to urban naturalisation and sustainable mobility are all aimed at making Madrid Nuevo Norte a low-emission district. In line with the aims of Madrid City Council, the Business Centre has been designated a Climate Action Demonstration Area, which we will discuss later.

In addition, Madrid Nuevo Norte is a key player in Madrid's role in the European Commission's Mission for Smart and Climate-Neutral Cities, one of the programmes that make up the European Research and Innovation Framework Programme "Horizon Europe" scheduled for the 2021-2027 period, which aims to support, promote and showcase the transformation of 100 European cities and act as a catalyst and driver for the implementation of the European Green Deal.

In the climate agreement signed by Madrid City Council with the European Commission as part of 100 Climate-Neutral and Smart Cities Mission, Madrid Nuevo Norte is one of the three defined strategic interventions.

Furthermore, as previously announced, with the aim of accelerating the decarbonisation of the city, Madrid City Council has designated the future Madrid Nuevo Norte Business Centre as a Climate Action Demonstration Area within the *DEMO 360* Area, with the intention of becoming a benchmark for the vision of a future climate-neutral city. This is set out in the official document published in the Official Gazette of the Madrid City Council (BOAM) on 5 June 2023, which formalises its final approval.

To develop this new area, the City Council has launched an Action Plan that includes, among other measures, the development of an electrified energy model whose experience can be transferred to other urban areas of economic activity. These measures aim to reduce emissions in this district by 68%. This plan will be updated every three years.

The measures included in the Action Plan aim to reduce:

- 100% of emissions linked to the use of buildings.
- 100% of emissions from public lighting.
- 49% of emissions from water supply.
- 3% of emissions from wastewater treatment.
- 57% of emissions from transport.

The methodology used to calculate greenhouse gas emissions was the Global Protocol for Community-Scale Greenhouse Gas Inventories.

Emissions have been calculated for the three greenhouse gases with the greatest impact in Europe according to the European Environment Agency (EEA): carbon dioxide, methane, and nitrous oxide, and are reported as CO₂ equivalent in this document. The scope analysed is Basic +, i.e. including scopes 1, 2 and 3 (more details in the glossary).

This work, described in the Action Plan, has concluded that the urban planning regulations for Madrid Nuevo Norte, also documented in the MPG Mobility Strategy, would make it possible to avoid around 18% of total emissions in 2030, compared to a project carried out without the sustainability requirements established in these regulations.

During the drafting of the urban development projects, the emissions associated with the entire life cycle of the Madrid Nuevo Norte urban development are being calculated. This information will be used in the environmental impact assessment for each urban development project; it has already been applied for the first time in the Las Tablas Oeste area, which now includes the Project's carbon footprint in its environmental impact assessment. As the remaining areas progress with their technical definition and construction planning, it is planned to extend this type of estimation to ensure a consistent analysis across the entire development.

The study carried out in the Las Tablas Oeste area estimates A1-A5 emissions at 54,000 tonnes of CO₂ for the urban development (Scopes in the initial stages of the life cycle of a construction product or building, covering everything from the extraction of raw materials to the completion of the works). Consumption associated with pipework and street furniture has been excluded from the calculation due to a lack of reliable information or the difficulty in proposing improvements. To perform the calculation, a life cycle assessment was carried out in accordance with standard UNE-EN 15643:2021 – Sustainability in construction. Framework for the assessment of buildings and civil engineering works, as follows:

- Product manufacturing (A1-A3): Approximately 24,000 tonnes of CO₂
- Product transport (A4): Approximately 2,000 tonnes of CO₂
- Installation and construction (A5): Approximately 28,000 tonnes of CO₂

It should be noted that, in order to reduce emissions associated with asphalt, the Project has stipulated the use of tempered asphalt containing between 15% and 30% Recycled Asphalt Pavement (RAP), which reduces the Global Warming Potential (A1-A3) by 20% compared to a traditional hot mix asphalt solution using quarry aggregate.

Crea Madrid Nuevo Norte’s participation in the PROBONO project is noteworthy. The project is co-financed by the European Union under the Horizon 2020 programme, with the aim of converting six European districts into “Green Building Neighbourhoods”, designed according to criteria of environmental sustainability, energy efficiency, and low carbon emissions. Six districts in European cities have been selected to test the viability of the PROBONO project: Madrid, Dublin, Porto, Brussels, Aarhus, and Prague. The six districts, called Living LABs, will include positive energy balance and zero carbon emissions among their goals. The total duration of the PROBONO project will be approximately five years, ending in the last quarter of 2026.

Company footprint, Crea Madrid Nuevo Norte

Total electricity consumption derived from the Company's direct administrative activity, as identified in the attached table, increases slightly in 2025.

	2024	2025
TOTAL ELECTRICITY CONSUMPTION (kWh)	119,895 kWh	122,752 kWh

This energy consumption is associated with greenhouse gas emissions:

	2024	2025
SCOPE 2 LOCATION-BASED EMISSIONS (tCO₂)*	31.2	34.7

*Scope 2 emissions have been calculated using the market-based method, applying the emission factor for Spain provided by the Miteco emissions calculator: 0.260 kgCO₂e/kWh for 2024 and 0.283 kgCO₂e/kWh for 2025.

04.3 Circular economy

Madrid Nuevo Norte is working to find a comprehensive approach to the materials cycle to ensure low-carbon development and the efficient use of material and waste flows, incorporating circular economy principles.

This approach must be implemented from the initial phases of the Project, ensuring responsible selection of materials. It is essential to prioritise the use of locally extracted and processed materials in order to minimise the environmental impact associated with transport, as well as recycled materials, which contribute to reducing the consumption of new raw materials and promote the development of the revaluation industry. In addition, construction planning should consider not only reducing the volume of waste generated, but also maximising the on-site separation of products, which increases recovery rates.

Based on the circular economy goals established in the MPG, a Circular Economy Strategy for Madrid Nuevo Norte was designed, structured through a Master Plan, whose purpose has been to assess and define the main technical requirements and guidelines for the management of construction and demolition waste, as well as for the recovery of materials during the execution of the Project. The Circular Economy Strategy for Madrid Nuevo Norte proposes that all recoverable waste from demolition processes be treated within Madrid Nuevo Norte itself, so that the materials generated during these treatments can be used in the execution of the Project.

There is an opportunity to manage approximately 1 million tonnes of waste, of which it is estimated that up to 75% could be reused in the development works themselves (analysed in the MPG Sustainability Strategy and developed in the Waste Master Plan), through the implementation of a potential recycling plant.

Waste generated by the Company, Crea Madrid Nuevo Norte

Between 2024 and 2025, the following waste was generated at the company's headquarters as a result of daily work at its facilities:

WASTE GENERATED	WEIGHT IN TONNES (Tn)	
	2024	2025
CARDBOARD	0.040	0.038
PAPER	0.271	0.265
WHITE PP PLASTIC	0.154	0.165
PLANT WASTE	0.420	0.455
HAZARDOUS WASTE	0.007 (batteries)	0.006 (batteries)
TOTAL (Tn)	0.892 Tn	0.929 Tn

04.4 Sustainable use of resources

Efficient resource management takes on special relevance, within this comprehensive vision of the Project, highlighting the **decarbonisation of the energy system** through electrification and the use of locally produced renewable sources —already addressed in the previous section— as well as advanced water management, with a special emphasis on the incorporation of sustainable drainage systems for rainwater treatment and the use of alternative water resources to drinking water.

Efficient water management and use are essential to address the challenges of climate change. According to rainfall projections for Spain in the National Climate Change Adaptation Plan 2021-2030, an increase in the frequency and intensity of extreme weather events is expected in the near future. As a result, Madrid will experience less frequent and more uneven rainfall, leading to long periods of drought accompanied by flooding due to more intense rainfall events. It is crucial to design a city whose water cycle management is capable of addressing this dual challenge of climate change: droughts and floods.

Water is one of the fundamental elements in the construction of the city model proposed by Madrid Nuevo Norte. The proposal is based on the concept of efficient water resource management and respect for the natural water cycle, which is integrated into a comprehensive strategy for the naturalisation of the city at the service of social activity, liveability, and the comfort of its occupants.

In line with the strategy to reduce water demand, the MPG includes a number of guidelines that must be incorporated into urban development projects. Other measures include the need to choose **species that are adapted to the local climate** and rainfall patterns, taking into account climate change projections, and that are adapted to urban stress.

Therefore, species with low water requirements will be prioritised in projects. In addition, irrigation systems will be designed to be efficient and smart, always prioritising drip irrigation and including programmers and rain or humidity sensors that adjust the water supply to actual needs. There will also be rainwater collection and storage elements in the rainwater network to reduce water demand.

Based on the MPG goals, various studies have been carried out (analysis in the MPG Sustainability Strategy and developed in the Water Master Plan) in order to specify the design guidelines and parameters to be integrated into future urban development projects in Madrid Nuevo Norte, with the aim of ensuring an efficient overall water cycle.

The work carried out includes the Sustainable Urban Drainage Systems (SUDS) Master Plan, which aims to assess the current situation and propose solutions for rainwater management, drainage, and the feasibility of water reuse in Madrid Nuevo Norte.

Based on the strategies and proposals set out in the Master Plan, a document has been created that establishes the technical requirements for urban infrastructure in relation to stormwater management, as well as the physical and functional characteristics of drainage systems, taking into account specific climate change projections for the city of Madrid and guidelines for water reuse and the use of municipally sourced reclaimed water. The integration of these solutions into urban development projects will make it possible to capture, retain, treat, infiltrate into the subsoil and/or use rainwater, thus restoring the hydrological processes that existed prior to urban development and contributing to a reduction in the volume of rainwater discharged into the existing sewerage network.

With regard to the use of **alternative water resources** to drinking water, it is important to note that the Madrid Nuevo Norte urban area will have a new Regenerated Water Network. In order to optimise the benefits of this infrastructure, both technical and economic solutions are being analysed to expand its use beyond its current applications (irrigation of public green areas and street cleaning). The possibility of using this water in the private sector, for watering private gardens and flushing toilets, is also being analysed. It has been estimated that this initiative would allow 48% of the water consumed in Madrid Nuevo Norte to come from reclaimed water, while the remaining percentage would be supplied by drinking water.

It is also important to note that, during the drafting of the urban development projects, the water footprint of the life cycle of the Madrid Nuevo Norte urban development will be calculated, as defined in the MPG Sustainability Strategy. This information will be used in the environmental impact assessment of each urban development project.

The study carried out in the Las Tablas Oeste area estimates freshwater consumption in scope A1–A5 at 5,685 Hm³ within the urban development (Scopes in the initial stages of the life cycle of a construction product or building, covering everything from the extraction of raw materials to the completion of the works). Consumption associated with pipework and street furniture has been excluded from the calculation due to a lack of reliable information or the difficulty in proposing improvements. A life-cycle analysis was carried out to calculate freshwater consumption, in accordance with the standard “UNE-EN 15643:2021. Sustainability in construction. Framework for the assessment of buildings and civil engineering works”, as follows:

- Product manufacturing (A1-A3): Approximately 4,000 Hm³
- Product transport (A4): Approximately 100 Hm³
- Installation and construction (A5): Approximately 1,500 Hm³

It should be noted that, to reduce the consumption associated with asphalt, the Project has required the use of tempered asphalt containing between 15% and 30% Recycled Asphalt Pavement (RAP), which reduces fresh water consumption (A1-A3) by around 80% compared to the traditional hot mix asphalt solution using quarry aggregate.

Company's water consumption, Crea Madrid Nuevo Norte

The following water consumption figures were recorded at the Company's headquarters between 2024 and 2025:

	2024	2025
WATER CONSUMPTION (m³)	770	763.45

04.5 Climate change

According to the technical document prepared as part of the Strategic Environmental Study for Madrid Nuevo Norte, the impact of the weather, air quality and climate change was analysed, among other environmental aspects, in order to propose a series of measures to mitigate and adapt to climate change.

Three studies were conducted on the adaptation of Madrid Nuevo Norte to climate change. For this, the most unfavourable scenario for Madrid in terms of temperature and rainfall was analysed, namely the IPCC's RCP 8.5 scenario with a 2050 horizon (this is the most feared scenario, as it indicates a temperature increase of up to six degrees), and the following results were included in:

- The study of energy demand in buildings in the Energy Master Plan, which concluded that, thanks to the energy efficiency required in buildings to be constructed in Madrid Nuevo Norte, no significant impact is expected in the event of sudden changes in the city's climate when dimensioning the energy infrastructure of Madrid Nuevo Norte.
- The rainfall study estimated an increase in peak rainfall. For this reason, urban development projects integrate the sanitation network without taking into account the water management capacity of the SUDS infrastructure.
- The urban comfort study of the Master Plan for Public Spaces and Urban Landscapes proposed a series of measures to be included in urban development projects to mitigate the impacts associated with climate change in Madrid and ensure urban comfort.

These recommendations have been included in urban development projects to ensure that the new urban development is adapted to the city's most unfavourable future needs.

04.6 Protection of biodiversity

Madrid Nuevo Norte, as part of its green space design strategy, proposes, among other design criteria, the integration of the biodiversity of the Upper Manzanares Basin and the naturalisation of the public space through the green corridor connecting Madrid Nuevo Norte with Monte de El Pardo.

The naturalisation proposal is based on native plant species with low water requirements that are adapted to the climate of the Community of Madrid.

Such is the importance of biodiversity that the United Nations 2030 Agenda includes it in one of its goals, which focuses on preventing the loss of biodiversity and natural capital.

The Master Plan for Public Space and Urban Landscape in Madrid Nuevo Norte establishes the design guidelines to be applied in the drafting of urban development projects, indicating that the idea of integrating biodiversity into the city is achieved through public space, including in its catalogue of alternative plant species with low water requirements adapted to the climate of Madrid.

In 2025, a study was commissioned to assess biodiversity and the seven ecosystem services linked to the development of the Madrid Nuevo Norte Project:

1. Wildlife refuge.
2. Prevention of general vegetation damage.
3. Creation and maintenance of habitats.
4. Pest control.
5. Pollination.
6. Habitability for Citizens.
7. Prevention and/or Benefits relating to human health.

This study has assessed the pre-development status of the Project sites and the post-development status following urban development, taking into account the green corridor infrastructure proposed in the plans drawn up for the submission of the urban development initiative (see details in section “04. The urban transformation of a city that preserves and cares for its environment”). Based on this comparison, an increase in all ecosystem services has been estimated.

Furthermore, improvement proposals have been studied for each project with the aim of maximising their impact, and a new calculation is planned as the green corridor infrastructure of the projects progresses.

The urban transformation
of a city, involving citizens
and the Team



05

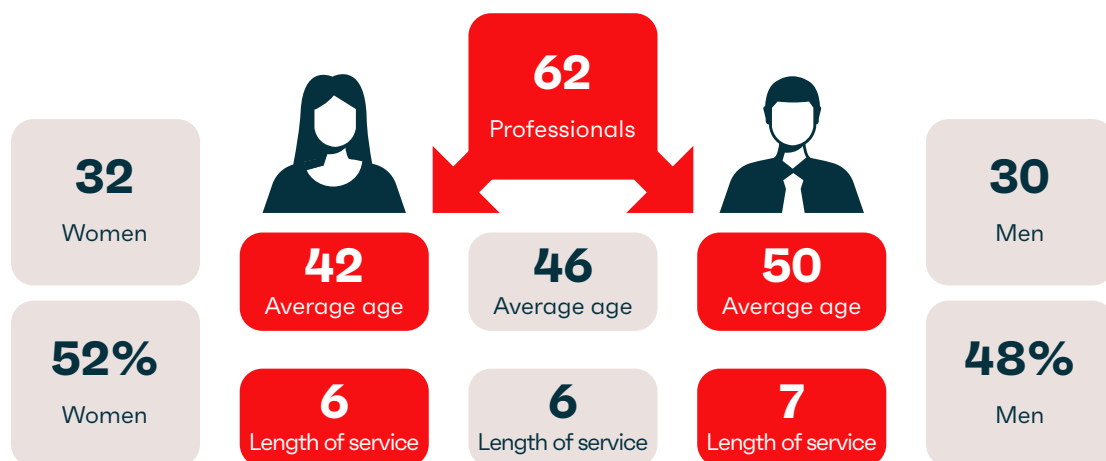
The urban transformation of a city, involving citizens and the Team

05.1 Team

05.1.1 Employment

Employment at the Company

Crea Madrid Nuevo Norte has a workforce of **62 employees**, 52% of whom are women and 48% men (at the end of the 2024 financial year, 50% of the workforce were men and 50% women), as shown below:



It should be noted that the average age of professionals is between 42 and 50. As regards the Company's contracts, at the end of the 2025 financial year, all were permanent, full-time contracts, with the exception of one person hired to cover for another on maternity leave.

Crea Madrid Nuevo Norte currently has remote working and flexible working hours policies in place to promote a good work-life balance for the Company's employees.

The Company provides 100% compensation for all temporary disability and/or work-related accident leave from the first day of absence. It also provides 100% maternity and paternity benefits.

As social benefits, employees have health insurance from the moment they join the Company, life insurance, and a work-life balance service.

The following table shows a comparison of the number of employees in the organisation over the last two years:

	2024	2025
EMPLOYEES (No.)	63	62

It also compares 2025 with the previous year in terms of staff by gender and professional classification, as well as some metrics at the end of the 2025 financial year relating to Crea Madrid Nuevo Norte staff classified by type:

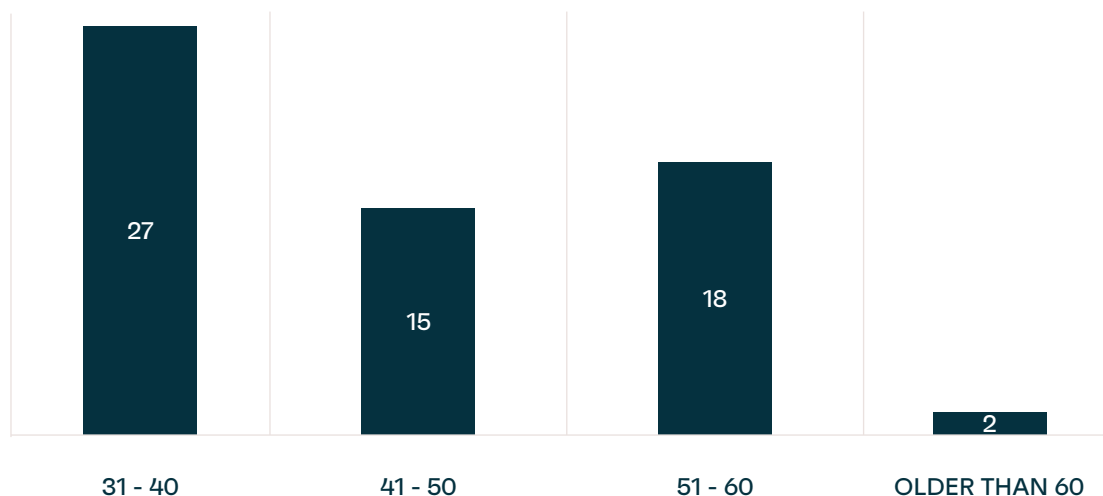
TOTAL NUMBER OF EMPLOYEES BY GENDER AND PROFESSIONAL PROFILE

	Men	Women	Total	
2024	Technical engineers	8	14	22
	Engineers - Graduate	22	19	41
2025	Technical engineers	9	12	21
	Engineers - Graduate	21	20	41

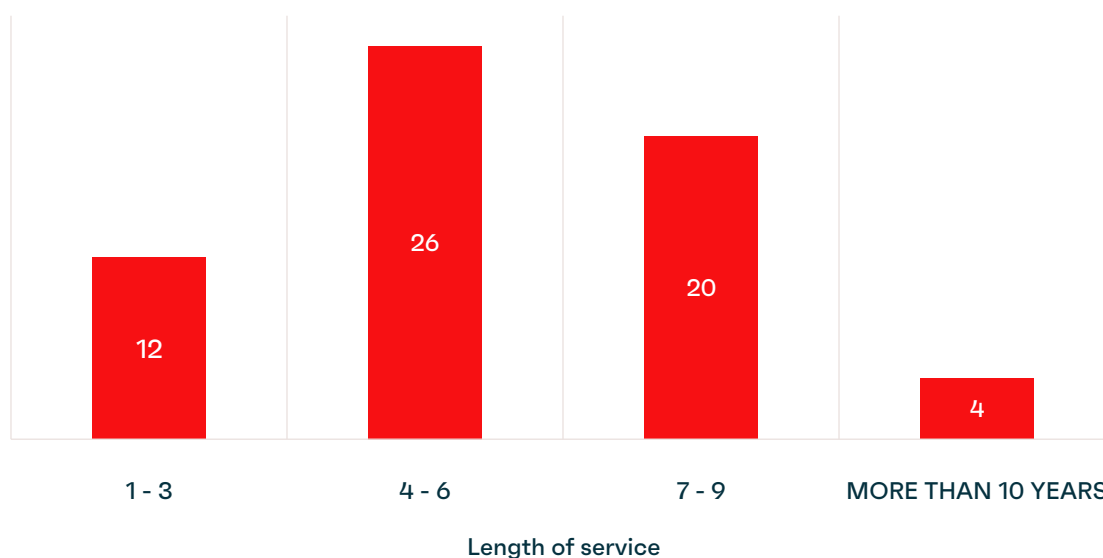
PROFESSIONALS BY AREA AND GENDER

	Men	Women	Total
General Management	1		1
Internal Audit		1	1
Compliance, Risk and Internal Control	2		2
Legal Services	3	4	7
Finance and Investor Relations	5	2	7
Corporate Resources	3	5	8
Corporate Strategy and Development	5	9	14
Business	11	11	22

NUMBER OF EMPLOYEES BY AGE GROUP



NUMBER OF EMPLOYEES BY LENGTH OF SERVICE



05.1.2 Training

One of the central pillars of the measures established at Crea Madrid Nuevo Norte to promote employee retention is the development of a **training plan**, recognising that continuous learning and professional development are fundamental to individual and collective growth.

Crea Madrid Nuevo Norte's training policy is designed to provide all employees with the opportunities and resources they need to improve their skills, acquire new knowledge, and reach their full potential.

The Company also has framework agreements with training companies for its workforce, relating to personal and social skills training.

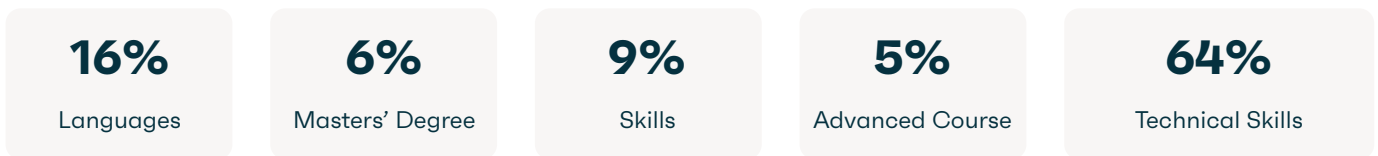
In 2025, Pharos continues to be widely used as a corporate training tool, encouraging each individual to take responsibility for their professional development through a development plan, improvement plan, etc. For this reason, training subsidies will be promoted, within the established limits and under the appropriate budgetary conditions and with the corresponding approvals.

Training **goals** for 2025 include:

- Developing the necessary training to enrich the technical development of its teams and enhance their growth by improving key skills and abilities.
- Promoting collaborative work.
- Maintaining the ongoing process of improving the platform, ensuring that training and information are accessible to everyone.

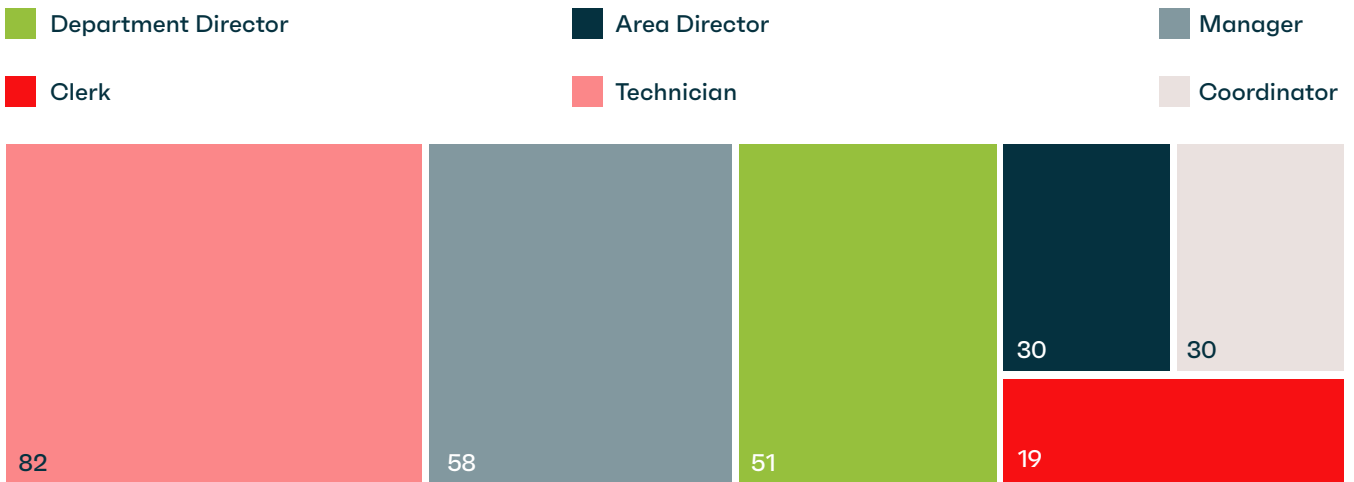
In terms of training **metrics**:

- The workforce invested 3,000 hours in training in 2025, and more than 4,000 hours were invested in 2024.
- The percentage of training in the different modalities was:



- The training hours per category in 2025 were as follows:

TRAINING HOURS BY AREA



- The cost of training in 2024 was approximately **€45,000**.

Team Building Activities:

In 2025, a number of corporate events were held with the aim of fostering a sense of pride in being part of CreaMNN, promoting team spirit and highlighting the value of the Company and the Project.

05.1.3 Universal accessibility

The Project takes people into account and is governed by the concept of **Expanded Universal Accessibility** to ensure, beyond the mere removal of architectural barriers, the full enjoyment of urban spaces by all people, regardless of their age (children, adolescents, older people), gender, dependency or disability.

The Project has an Accessibility Master Plan that was drawn up with the aim of assessing and defining the technical requirements and guidelines on the subject. The approach taken was one of universal accessibility, which has the potential to contribute to an inclusive and sustainable environment in environmental, economic, and social terms.

Crea Madrid Nuevo Norte was involved in the development of the Framework through a series of participatory initiatives such as interviews and 'working groups' with people with various types of disabilities and their families or carers. These sessions addressed aspects related to the relationship between people with physical, sensory, and cognitive disabilities and their environment, their perception, mobility patterns and the main demands and proposals. These activities have made it possible to compare the consistency between the technical issues identified in the Master Plan and the group's needs.

In addition, information and awareness-raising initiatives on universal accessibility have been launched in collaboration with specialist organisations, alongside a public consultation process aimed at people with disabilities, their families and carers, with a view to incorporating their needs and perspectives into urban development projects. This process involved the participation of experts in the field and the application of a specific methodology.

05.1.4 Equality

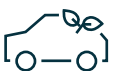
05.1.4.1 Madrid Nuevo Norte Project

The Madrid Nuevo Norte Project incorporates a gender perspective and is in line with the main international agendas.

It is therefore essential to identify the factors necessary to promote gender equality within the framework of urban planning instruments, ensuring equal rights in different spheres of society, namely the economic, social, political, and cultural spheres.

The work on gender perspective in Madrid Nuevo Norte has been carried out in collaboration with the **UNESCO Chair** for Gender in Science, Technology, and Innovation at the Polytechnic University of Madrid. A series of initiatives have been carried out to integrate this perspective into the Project from the outset.

From a more technical perspective, the same study has worked to identify behavioural factors in order to adapt the Project to **citizens' needs**, such as:



Transport: women make more interrelated trips, mainly on public transport, with a greater variety of modes and reasons for travelling, which are less frequent at peak times and are often for the purpose of accompanying a child or dependent person. This is why women are more sensitive to the perception of safety in transport, the ergonomics of transport services and the price of travel.



Urban safety: women feel less safe in public spaces at night and in certain areas. This perception of insecurity can be reduced through appropriate urban planning and design.



Public spaces: the quality of public spaces determines the autonomy or dependence of young and old people. When this autonomy is not possible because spaces are not adapted to their needs, the mobility of these groups usually depends on the assistance of women. Furthermore, we understand that future generations will place greater value on the availability of public spaces in cities.



Facilities: Small-scale facilities located in residential neighbourhoods that make everyday life easier for people caring for children and the elderly are essential for enabling women to freely enter the labour market.



Residential: The gender criteria taken into account at the urban level must also be replicated at the building, individual building, and housing unit levels. It is essential to respond to the new and changing needs of families, such as teleworking, single-person and single-parent households, and changes in family life cycles.



Mixed use: mixed use facilitates people's daily lives by giving them access to different places at the times and during the hours they need.



Participation: integration of women through various participatory activities. Working with local residents allows the needs of less visible groups (children, the elderly and dependent persons) to be included in the process.

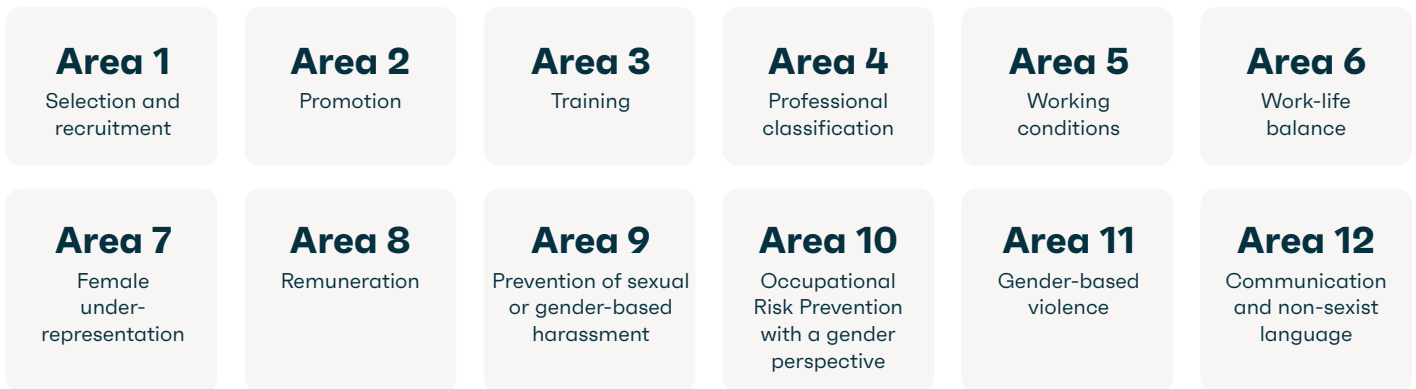
05.1.4.2 Crea Madrid Nuevo Norte

The culture at Crea Madrid Nuevo Norte has always been committed to equal treatment and opportunities for men and women. For this reason, the Company has an Equality Plan, approved in December 2023 and valid until December 2027.

The approval of the Equality Plan reinforces Crea Madrid Nuevo Norte's commitment to developing and establishing policies that maintain and consolidate the foundations of equal work and opportunities between men and women, without direct or indirect discrimination on the basis of sex, through the following goals:

- **Quality of employment:** to encourage quality employment, promoting the continuous improvement of professionals' skills.
- **Work-life balance:** respecting the personal and family environment of all Crea Madrid Nuevo Norte employees by seeking measures that respond to their needs and achieve a proper balance between both environments.
- **Equal opportunities for men and women within the organisation:** with a special focus on selection, recruitment, remuneration, professional development, training and working conditions.
- **Respect for diversity:** promoting non-discrimination on any grounds among the people who form part of Crea Madrid Nuevo Norte, whether on the basis of age, marital status, origin, religion, sexual orientation or any other personal, physical, or social characteristic.
- **Prevention and action against sexual harassment:** on the grounds of sex and in the workplace.

The Equality Plan contains 12 areas of action, listed below, each of which has a goal, a budget and/or allocated resources, a series of actions to be carried out to achieve it, and the definition of indicators for its measurement and monitoring.



05.2 Supply chain management

For Crea Madrid Nuevo Norte, it is essential to identify, understand, mitigate, and manage supply chain risks in order to maintain the highest quality standards in its purchases.

05.2.1 Assessment of suppliers

In order to identify, mitigate and manage the risk inherent to the supply chain, Crea Madrid Nuevo Norte has a supplier assessment process in place as a fundamental mechanism. This is a pre-contracting process based on the analysis of key risk factors and their subsequent monitoring throughout the relationship with the supplier. For this, it draws on data from external sources and information provided by the supplier.

There are three types of assessment depending on the inter-annual contract and the type of risk:

- *Basic Fast*: for contracts worth less than €3,000 and with low risk.
- *Fast*: for contracts worth between €3,000 and €25,000 and with low risk.
- *Full*: to assess all other suppliers.

The assessment will have three possible outcomes: “*Pass*”, “*Pass with Conditions*” and “*Fail*”, which will be valid for 24 months for suppliers assessed under the Basic Fast or Fast categories and for 12 months for those assessed under the Full category.

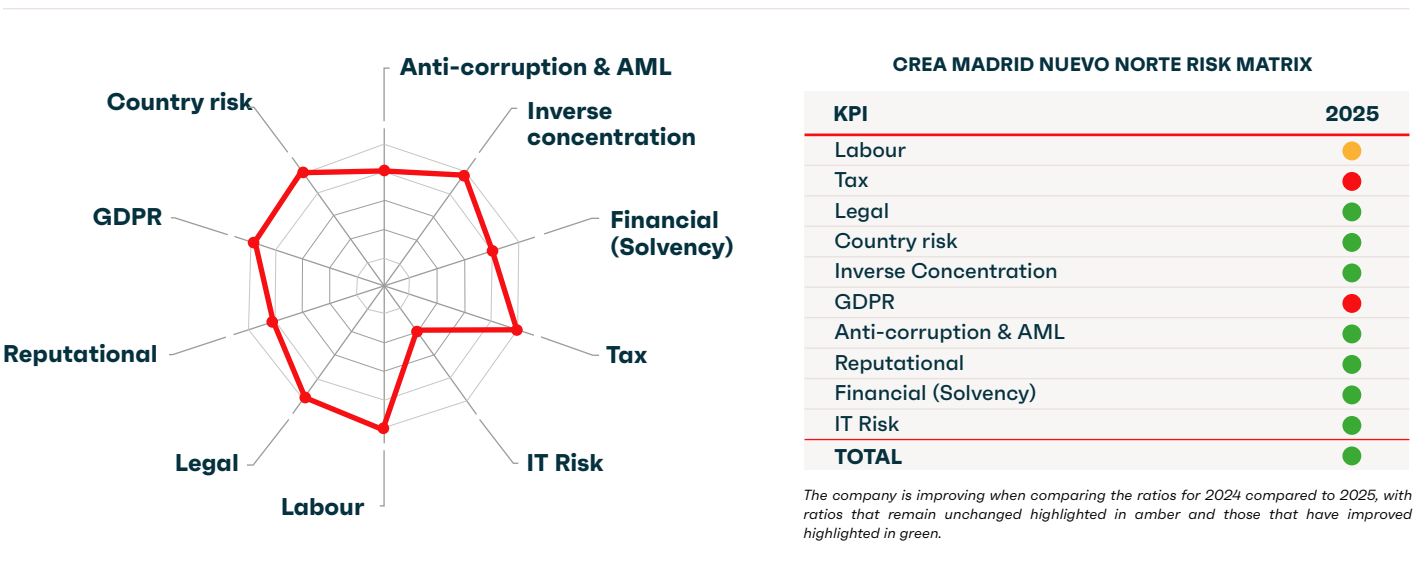
All suppliers and subcontractors must be aware of their assessment status and remain satisfactory while their contractual relationship with Crea Madrid Nuevo Norte is in force.

The main modules analysed in the supplier assessment are:

1. *Anti-Corruption & Anti-Money Laundering*: no evidence of corrupt practices or money laundering through consultations with external sources and assessment of these risks.
2. *Reputational*: no evidence linking the supplier to serious cases of fraud, corruption, money laundering, environmental damage, litigation related to human rights issues, data protection, among others.

3. Country Risk: the risk generated by the geographical location of the supplier is assessed.
4. Inverse Concentration: this is the risk arising from a high percentage of a supplier's total turnover being concentrated in Crea Madrid Nuevo Norte, thus creating a significant dependency on the Company.
5. Financial: the supplier's financial situation is analysed to ensure continuity in the supply or provision of services.
6. Legal: compliance with the minimum legal requirements that the supplier must meet in order to operate within the required legal framework.
7. Labour: compliance with Social Security payment obligations and the validity of civil liability insurance policies.
8. Tax: compliance with tax requirements and payment obligations to the tax authorities.
9. IT: the supplier's technological risk management capacity is assessed by evaluating technological certifications, the governance model, the organisation's technological strategy, and the number of relevant incidents in its systems.
10. GDPR: compliance with essential issues of personal data protection.

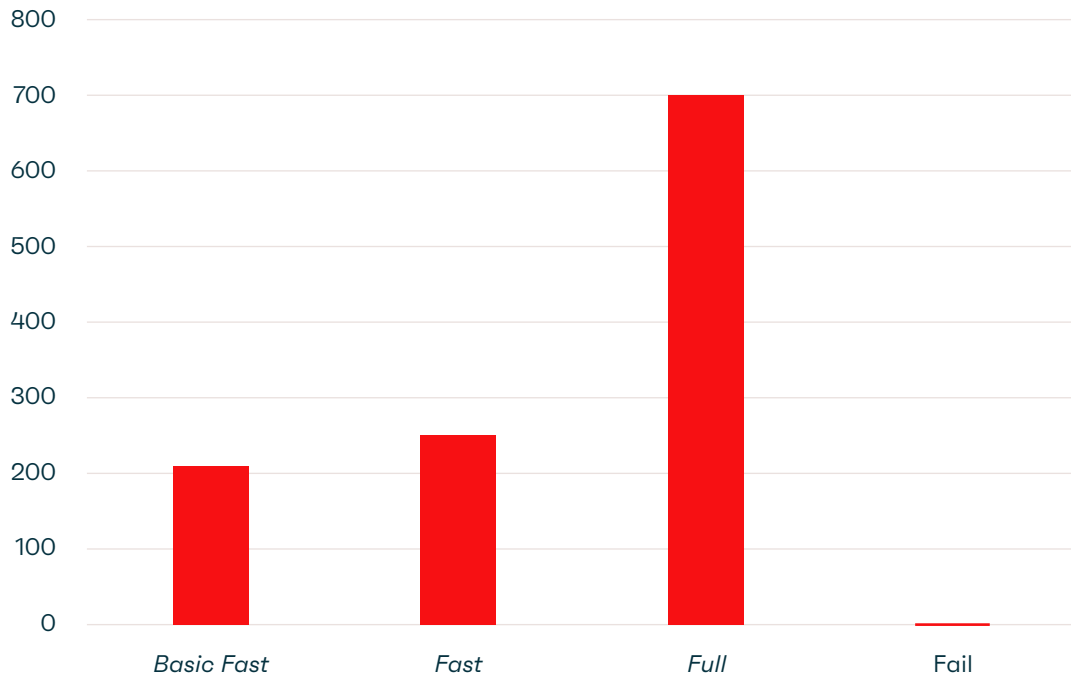
Taking into account that the target score for the assessment is 100, the average score achieved by suppliers in the risk analysis in 2025 was 94.69%, a slight increase on the previous year. The graph shows the breakdown of each variable in the Supplier Risk Map:



All variables score above 90%, with the “employment variable” standing out as the highest-scoring variable at 100%, and the “IT variable” as the lowest-scoring, having risen by 15 points compared with the previous year.

Since December 2021, when the supplier assessment was implemented, almost 1,163 assessment processes have been managed, with 355 suppliers currently assessed as of the end of 2025:

ASSESSMENT PROCESS FROM THE START



05.2.2 Performance of suppliers

Assessing the experience of the supply or service provided by the supplier to Crea Madrid Nuevo Norte is essential to establish stable and lasting relationships that help make contracting decisions for the future and maintain the highest standards of quality. For this, Crea Madrid Nuevo Norte implemented the “Supplier Performance” assessment in 2023.

The performance assessment is carried out on suppliers with orders exceeding €25,000, as well as on all suppliers with a current framework contract.

The following criteria are assessed:

- Quality of the supply or service received.
- Compliance with delivery deadlines.
- Assessment of the team providing the service.
- Innovation, if the supplier has provided innovative solutions.
- Sustainability, if the supplier has provided solutions in this area.

In 2025, 87 assessments were conducted on 74 suppliers, 99% of which were favourable (rated A or B).

YEAR	A	B	C	D	TOTAL
2024	84	10	0	3	97
2025	78	8	1	0	87

05.2.3 Ethical code for suppliers

Crea Madrid Nuevo Norte has approved, as part of its Purchasing Policy, a Supplier Code of Ethics that establishes minimum standards of behaviour in terms of ethical, social, and environmental behaviour and the prevention of corruption, which it expects suppliers to follow. It also expects suppliers to adopt the necessary policies and procedures to ensure compliance and to carry out the necessary communication and training activities to ensure that their employees and supply chain understand and act in accordance with the content of this Code. In the contract templates that Crea Madrid Nuevo Norte's Legal Department has implemented as a reference for contracting, it is mandatory for the supplier to adhere to this Code of Ethics and the Company's other corporate policies, without prejudice to any adjustments that may be agreed upon in the negotiation of such contracts.

05.2.4 Framework agreement

By signing collaboration agreements with suppliers, Crea Madrid Nuevo Norte establishes solid, long-lasting relationships that provide stability and quality in the functioning of Crea Madrid Nuevo Norte's systems, operations, and infrastructure. This purchasing mechanism streamlines the procurement process with recurring suppliers.

During 2025, the use of framework contracts has increased. At the end of the year, there were 58 contracts in force worth almost €2.3 million, with consumption of almost 68%.

05.2.5 Purchasing policy

Approved on 3 November 2021 and its implementing Regulation RC-05 approved on 16 November 2021 together with its Annexes, these regulations govern the procurement of goods and services by Crea Madrid Nuevo Norte, with the aim of establishing the management model, roles, and responsibilities in the procurement process.

Community

06

Community

06.1 Associations

Crea Madrid Nuevo Norte already actively collaborates with various associations with the aim of improving people's quality of life and promoting the values of innovation and sustainability that have inspired the Project. Some of these associations are as follows:



Madrid Futuro

An independent non-profit association made up of more than 100 companies, start-ups, universities, cultural institutions, NGOs, foundations, business associations, and citizens who are committed to making Madrid one of the best cities in the world.



Urban Land Institute (ULI)

A global, non-profit organisation led by more than 45,000 professionals in the real estate and urban development sector dedicated to promoting responsible land use.



Official College of Architects of Madrid (COAM)

A public law corporation that represents and defends the professional interests of architects in Madrid and safeguards the cultural and environmental values of architecture for the benefit of society.



Climate KIC

EIT Climate-KIC Spain is the Spanish representative of the European initiative *EIT Climate-KIC*, the largest public-private partnership in Europe addressing climate change through innovation to build a zero-carbon economy. Crea Madrid Nuevo Norte supports and collaborates with the *Clean Cities ClimAccelerator* initiative, a start-up acceleration programme focusing on the fight against climate change in cities. The accelerator is working with Crea Madrid Nuevo Norte and Madrid City Council to integrate information on environmental performance into the Madrid Nuevo Norte tender documents. This could contribute to the creation of a local dataset on carbon emissions for use in future projects. An essential part of the initiative is to ensure that this data is open source, so that it can also be used by other actors, such as the city, for strategic policy-making.



Asprima

Founded in 1977, this is the business organisation that defends the professional interests of companies engaged in real estate development in the Community of Madrid, always seeking dialogue with Public Administrations to find solutions to problems affecting the sector and society.



Forética (Sustainable Cities 2030)

Crea Madrid Nuevo Norte has begun its collaboration with the Sustainable Cities 2030 project, led by Forética, together with relevant public and private institutions, both national and international. The initiative seeks to promote public-private collaboration in the development of sustainable cities.

CONAMA

Fundación Conama

A foundation whose mission is to contribute to creating solid alliances between governments, the private sector and civil society to achieve greater environmental protection and sustainable development.



Madrid Business Confederation (CEIM)

A non-profit organisation that represents and defends the general and common interests of Madrid's business community.



Official Associations of Architects of Spain (CSCAE) Observatory 2030)

State-level council of the Official Associations of Architects in Spain.



Madrid Capital Mundial

A public-private organisation aiming to establish Madrid and Spain as a global leader in the fields of engineering, construction, and architecture.



Building Cluster

A non-profit association comprising companies, universities, and research centres, with the aim of driving innovation in the renovation of existing buildings and the construction of new buildings for any purpose or tenure.



New Economy Forum

An independent, private debate organisation based in Madrid, whose aim is to promote dialogue and the exchange of ideas on political, economic and social issues through open, neutral and pluralistic forums, attracting prominent figures such as Heads of State, representatives of European institutions, business leaders and media personalities to discuss current national and international affairs.



Circle of Entrepreneurs

A non-profit organisation based in Madrid, whose aim is to promote the study, dissemination and defence of free enterprise, private initiative, and the role of the entrepreneur in Spanish society.

06.2 Events and conferences

In addition, throughout 2025, the Company has been very active in participating in events, conferences, and other gatherings to promote the Project:

Events and conferences:

- “Digital transformation of civil engineering in Spain”, organised by the Association of Civil Engineers
- “Building the future of real estate”, organised by Deloitte.
- (RE) Imagine Sustainable Solutions for Times of Change, organised by Saint-Gobain.
- “Towards a new Madrid Land Law”, organised by the Community of Madrid and AEDUR.
- “Regeneration and rehabilitation in Madrid: challenges and opportunities”, organised by Madrid Business Forum.
- “Railway stations cycle: drivers of 21st-century urban regeneration”, organised by the Association of Civil Engineers.
- “Urban Megaprojects and Cultural Innovation: A Swedish-Spanish Exchange”, at the Spanish Embassy in Stockholm.
- “Towards a balanced city model: city vs metropolis”, organised by Madrid Futuro.
- “Citizen participation in urban planning: an opportunity for everyone”, organised by CreaMNN and ULI Spain.
- Alliance for Urban Innovation of the IFEMA MADRID Cities Forum and the Federation of Municipalities of Madrid.

Conferences and trade fairs:

- MIPIM International Real Estate Fair, held in Cannes.
- Student Living Forum Spain organised by The Class Foundation.
- MADRID LEADERS FORUM 2025.
- SIMA PRO.
- Ciudades C40 - City action to drive clean construction market development.
- Metropolis 40th Anniversary SEOUL CONGRESS 2025.
- EXPO REAL International Property Fair, in Munich.
- International Water Congress in Singapore.

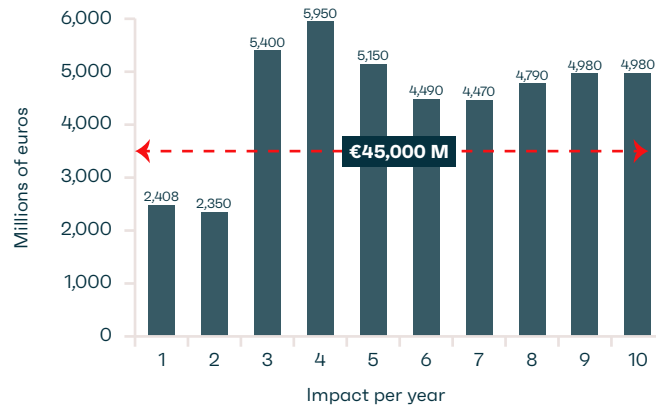
06.3 Socio-economic impacts of Crea Madrid Nuevo Norte's activity on employment and local development

06.3.1 Economic data for the Madrid Nuevo Norte Project

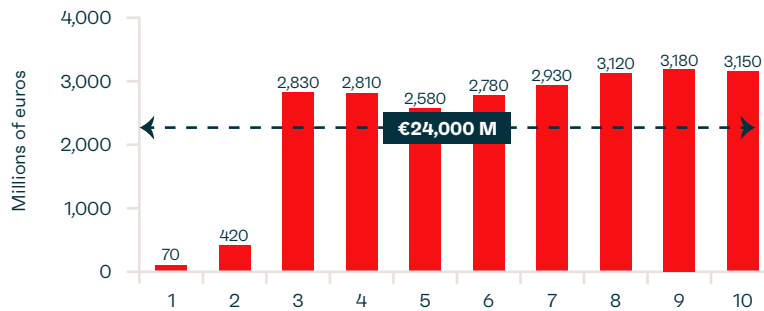
The Project has a direct impact on the local, regional, and national economy. Professor Luis A. Puch, Professor at the Complutense University of Madrid, together with the Complutense Institute of Economic Analysis, has produced a report that analyses in detail the expected benefits of the Project on the economy.

The analysis indicates that, in the long term (10 years), the real estate sector, with an average gross added value of €15 billion, is one of the sectors that contributes most to Madrid's GDP, and that the construction sector, with an average gross added value of €12 billion, is also an important driver of growth in the economy of the Community of Madrid. The benefits of both sectors as a result of the Project will have a major impact on regional GDP.

According to the aforementioned analysis, an investment of **€3 billion** in the construction sector generates **€5.4 billion in three years and a total of €45 billion over 10 years**

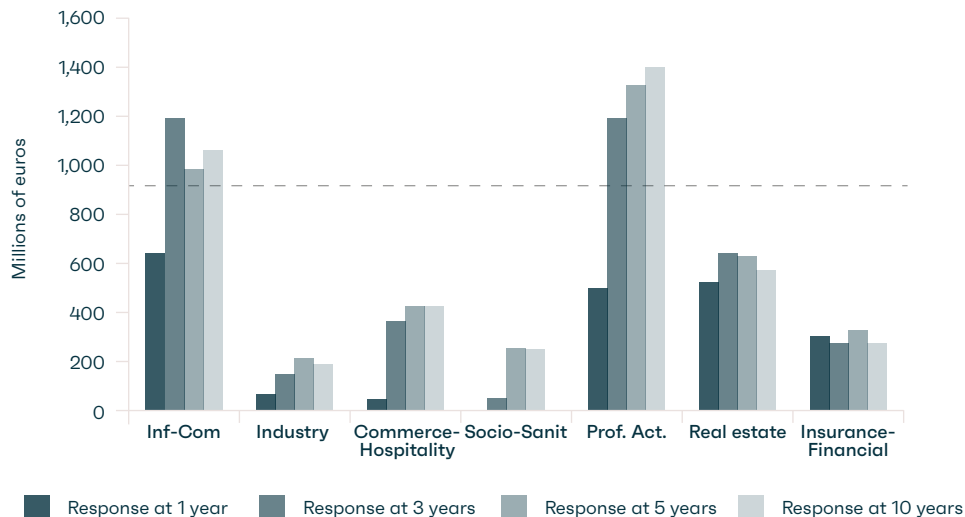


This analysis indicates that the real estate sector, with an investment of €2.4 billion, **generates more than €2.8 billion in three years and, after ten years, has a consolidated impact of €24 billion.**

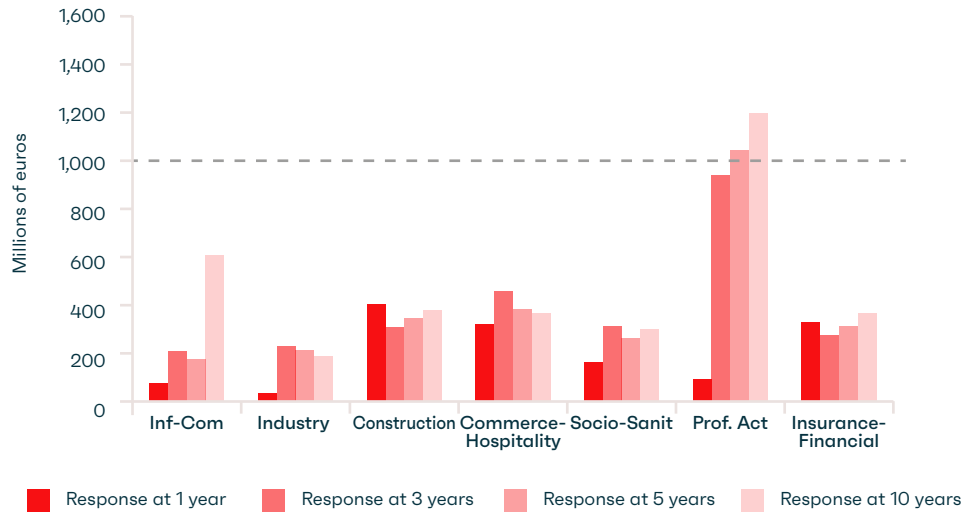


The construction and real estate sectors also have a beneficial impact on other sectors of the economy. Among these, the most favoured are professional activities and information and communication.

As shown in the graph, a single initial investment of **€3 billion in the construction sector would have an impact of more than €1 billion on both the professional activities and information and communication sectors after three years.**



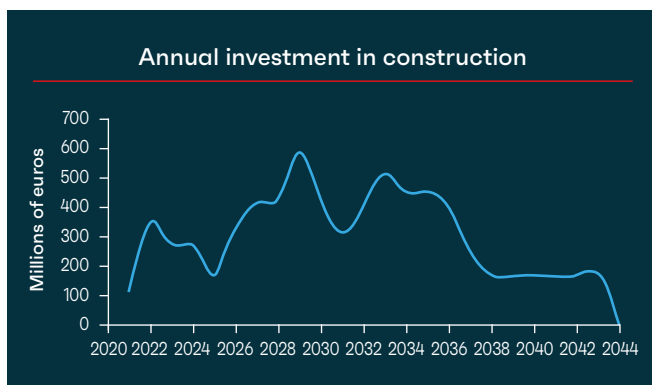
Similarly, an investment of **€2.4 billion in the real estate sector would have an impact of more than €1 billion over just five years in the professional services sector and, over ten years, would have an impact of €600 million** in the information and communication sector, making it the second-largest beneficiary.



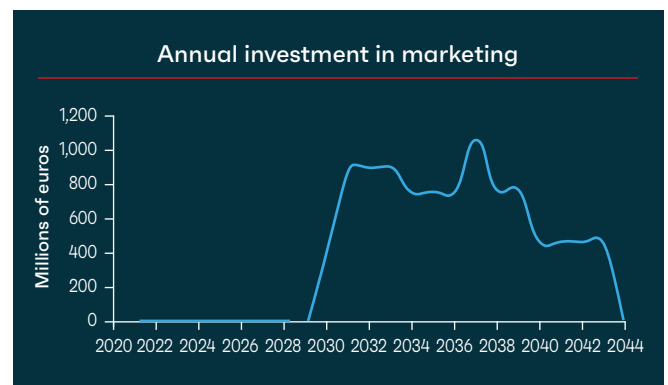
Source: Analysis by the Complutense Institute of Economic Analysis

The Project represents an investment of more than €25.2 billion, of which the total productive investment exceeds €17 billion. The productive investment is divided in the following manner:

TOTAL PRODUCTIVE INVESTMENT €17,409 M



€7 billion for construction, which will have an impact of approximately **€15 billion on the Project's suppliers**, mainly benefiting **professional activities** and, secondarily, **construction**.



The **remaining €10 billion invested in real estate** will have an impact of **€37 billion on customers**. In this case, the **professional activities** sector will also firstly benefit, followed by the **information and communication** sector.

It should be noted that almost 60% of the €15 billion associated with the construction impact will originate in the first twelve years and that 56% of the €37 billion derived from real estate investment will be generated by 2053.

Finally, it should be noted that the GDP of the Community of Madrid could increase by 43% with an investment boost in the construction and real estate sectors, as this would be a boost in demand that would have a greater impact on suppliers.

06.3.2 Crea Madrid Nuevo Norte's activity regarding social issues

In 2025, the Project consolidated its 'participatory urban planning' model through a strategy of active listening and ongoing collaboration with local residents, centred on three pillars:

- Integration: Incorporating the long-standing demands of neighbouring neighbourhoods into the Project's design.
- Social Value: Generating a positive impact and genuine connections with citizens at every stage.
- Results: 39 initiatives were carried out with the participation of 1,740 people, highlighting an inclusive approach with high representation of women and people with disabilities.

Below is a brief summary of the main activities carried out during 2025:

1. Storytelling Workshops

The book "Como gata por su casa" (Like a cat in its own home) was created to engage children aged 4 to 7 with topics related to sustainability and inclusive cities, with six workshops held in schools and community organisations.



Some workshops held in schools and associations in the city.

2. Working groups and tours of the Madrid Nuevo Norte area

Six working groups were set up with local associations and residents to address topics of interest. In addition, participatory tours were organised to identify challenges and answer questions.



Some of the working groups and tours.

3. Citizen consultations

A total of 55 participatory workshops were held, involving 898 people in person and over 400 via online surveys, as part of the urban development project for the Malmea-San Roque-Tres Olivos and Chamartín Business Centre areas. The consultations addressed issues relating to sustainable mobility, facilities, the use and design of public spaces and green areas, amongst others.



Some consultation processes.

4. Painting competition

This competition, organised by Crea Madrid Nuevo Norte and neighbourhood associations, uses painting to reflect on sustainable and inclusive urban environments. Its main aim is to highlight how art is a fundamental aspect of city-building, endowing public spaces with character, identity, and personality. Fifty-three entries were received and an exhibition was held which attracted over 800 visitors.



Some images from the exhibition.

5. Participation in the Las Tablas Festival

At the Las Tablas Festival, we promoted community spirit and raised awareness of the Project, including a reading of the story “Como gata por su casa” (Like a cat in its own home) to raise awareness of sustainable cities.



Poster for the “Las Tablas” Festival.

6. Events

- Event: “Madrid 2050: innovation, territory and participation”, organised by the COAM in collaboration with the Juan XXIII Foundation and the CIEC, focusing on the design of sustainable, equitable and resilient urban environments. Innovative and circular economy solutions were presented, highlighting a people-centred model of the city for the future of Madrid.
- Event entitled “Citizen participation in urban planning: an opportunity for all”, a meeting organised by Crea Madrid Nuevo Norte and ULI Spain as part of Urban October, promoted by UN-Habitat to celebrate World Cities Day, became a key forum for discussing how citizen participation is the fundamental driving force behind creating resilient, innovative and sustainable cities.



Poster for the “Centre for Innovation and the Circular Economy” event.



Some images from the “Day for Cities” event.

7. Publication on citizen participation in Madrid Nuevo Norte

A document was published showing how the involvement of local residents and community organisations helps to create a project that is more inclusive, sustainable, and tailored to real needs. It also sets out a working model in which participation is not merely a consultation process, but the foundation for any urban transformation.



Some images from the publication “Your city, your voice, your future”.

Foundations of Company governance

07



Foundations of Company governance

07.1 Information security and privacy

The Board of Directors of Crea Madrid Nuevo Norte approved the General Information and Communications Security Policy in 2023, and its implementation continues in 2025. This policy regulates both the processing of internal information and the behaviour of its employees with regard to information security and privacy. It is reviewed and updated annually to ensure that the rules developed therein are correctly applied and that new needs arising in the internal and external ecosystem of Crea Madrid Nuevo Norte are covered.

07.2 Anti-corruption and anti-bribery

Crea Madrid Nuevo Norte is firmly committed to legality and its principles require acting with the utmost honesty, integrity and transparency, both within the Company and with customers, agents, intermediaries, suppliers, business partners (including those who may interact on behalf of or for Crea Madrid Nuevo Norte with Public Administrations), public or private institutions, and other third parties with whom the Company has dealings.

Accordingly, the Company has adopted an Anti-Corruption Policy, which is part of a culture of compliance and ethical conduct, involving the design, approval and enforcement of policies aimed at preventing and eradicating corruption. Its aim, on the one hand, is to develop the principles and guidelines set out in the Code of Conduct approved by the Board of Directors, and, on the other hand, to establish the framework for action of Crea Madrid Nuevo Norte to prevent, detect and promote the reporting of corrupt practices or situations of risk, to set specific guidelines for behaviour in sensitive activities or areas, to facilitate the recognition of cases that require special caution and, in case of doubt, to provide appropriate advice. It shall be mandatory for all directors, managers and employees in all activities arising from their position or role at Crea Madrid Nuevo Norte.

In turn, Crea Madrid Nuevo Norte has a Criminal Compliance Management System, which includes an Anti-Bribery Management System, with the aim of fostering a genuine corporate culture of integrity and preventing any irregularities or criminal offences. In this way, Crea Madrid Nuevo Norte reinforces and promotes its ethical business culture, establishes its control mechanisms, and reduces the possibility of criminal offences being committed within the company, either directly or indirectly.

Crea Madrid Nuevo Norte rejects any corrupt practice aimed at obtaining illegal or undue advantages. Crea Madrid Nuevo Norte expects both its employees and third parties to actively participate in the prevention and fight against corruption, both in the public and private sectors, and fully embraces the commitment to actively prevent and combat corruption.

Some other applicable policies are explained below:

- **Criminal Risk Prevention Policy**, which establishes the basic principles and guidelines for ethical compliance and the prevention and management of criminal risks at Crea Madrid Nuevo Norte.

- **Conflict of Interest Policy**, which defines and establishes the principles and main measures for identifying, preventing, and managing actual or potential conflicts of interest that may arise in the course of Crea Madrid Nuevo Norte's activities.
- **Prevention of Money Laundering and Financing of Terrorism Policy**, which sets out the common criteria and general framework that CreaMNN must follow to prevent, mitigate and manage the risk of money laundering and terrorist financing.
- **Internal Reporting System and Whistleblower Protection Policy and Management Procedure**, which demonstrates Crea Madrid Nuevo Norte's commitment to regulatory compliance, promoting a culture of ethics, good governance, transparency, and integrity with our stakeholders.

07.3 Relationship with suppliers

Working with integrity and transparency are two fundamental values for Crea Madrid Nuevo Norte, and policies have been established to ensure compliance with these values. The Purchasing Policy and Standards, together with the Procurement Principles, the Code of Ethics for Suppliers and the Supplier Assessment Criteria, which form part of it, as well as other Company standards, including the Anti-Corruption Policy and the Conflict of Interest Policy, govern Crea Madrid Nuevo Norte's relations with its suppliers.

To ensure compliance with procurement processes, Crea Madrid Nuevo Norte has e-LICITA, a supplier portal and tendering tool.

Throughout 2025, Crea Madrid Nuevo Norte has managed more than 160 procurement processes involving more than 400 suppliers.

07.4 Fiscal responsibility and transparency

Although Madrid Nuevo Norte will involve public investment of more than €2 billion, it will contribute more than €6 billion to the Public Administrations, meaning that its contribution will be positive, at more than €4 billion.

07.5 Human Rights

Crea Madrid Nuevo Norte wishes to express that respect for human dignity and fundamental rights is a basic element of its conduct. Crea Madrid Nuevo Norte promotes the application of and respect for human rights in accordance with the International Bill of Human Rights, the United Nations Global Compact and the principles of conduct and recommendations for the development of business activities published by the United Nations, the Organisation for Economic Co-operation and Development and the International Labour Organisation.

Glossary 1/2

APR 05.10

Submitted Planning Area: “Chamartín Station”.

APE 05.31

Specific Planning Area: “Chamartín Business Centre”.

APE 08.20

Specific Planning Area: “Malmea-San Roque-Tres Olivos”.

APE 08.21

Specific Planning Area: “Las Tablas Oeste”.

Basic +

“Basic+” means that the emissions calculation includes:

Scope 1 (Direct emissions) Emissions generated directly by sources owned or controlled by the Project or the Company (e.g., fuels burned in boilers, own vehicles, etc.).

Scope 2 (Indirect energy emissions) Emissions resulting from the generation of electricity, heat or steam purchased and consumed by the Project.

Scope 3 (Other indirect emissions) Emissions that occur outside the direct operations of the Project but are related to its activity, such as emissions from the supply chain, transport of materials or people, construction of infrastructure, future use of buildings, etc.

BREEAM

(Building Research Establishment Environmental Assessment Methodology) is the most technically advanced method for assessing and certifying sustainability in buildings and is the world leader in terms of the number of projects certified since its creation in 1990.

Building Information Modelling (BIM)

Working methodology specialising in construction projects.

Certification accredited to the ISO 37001: 2016 standard

This certification, awarded by Bureau Veritas and accredited by the National Accreditation Body (ENAC), recognises that Crea Madrid Nuevo Norte has implemented policies and procedures designed to prevent bribery, promote an ethical culture and establish appropriate controls to identify and address any risks in this area.

Certification accredited under the UNE 19601 standard: 2017

Issued by Bureau Veritas, relating to Criminal Compliance Management Systems. The aim is to go beyond simple compliance with legislation, promoting a culture of ethics and corporate compliance, as well as the prevention of crime, through the implementation of a Criminal Compliance Management System that mitigates any risk of this nature within the company.

ISO 19650 certification

Certification in the management of information throughout the entire life cycle of a constructed asset using information modelling for buildings.

Bureau Veritas certification for the Whistleblowing Channel Management System

Based on the ISO 37002:2021 standard. This certification demonstrates Crea Madrid Nuevo Norte's commitment to promoting an environment that facilitates the reporting of possible irregularities, establishing procedures for receiving and managing complaints about behaviour that contravenes its Code of Conduct and applicable regulations.

Management Committee

An instrumental entity without legal personality made up of natural and legal persons who own the land and/or rights of use in a specific area, whose purpose is to promote the urban development of that area until the corresponding compensation board is established, by carrying out, either by itself or through third parties, the activities and work necessary for the formulation of development initiatives and the submission to the public authorities of any technical and legal documents that may be required.

Framework Agreement for Unique Infrastructures

Public-private partnership agreement for the coordination, financing and implementation of the unique actions provided for in the MPG.

WWTP in Valdebebas

Valdebebas Wastewater Treatment Plant.

Life Cycle Assessment (LCA), in accordance with standard UNE-EN 15643:2021 - Sustainability in construction, includes the following scopes A1-A5

Scopes A1–A5 refer to the initial stages of the life cycle of a construction product or building, covering everything from the extraction of raw materials to the completion of the works. In accordance with standard UNE-EN 15643:2021 – Sustainability in construction (Framework for the assessment of buildings and civil engineering works), the life cycle modules considered include:

Production Phase

- A1. Supply of raw materials: extraction and processing of the raw materials required for the manufacture of the product (including impacts associated with extraction, transport, and initial processing).
- A2. Transport: the movement of raw materials from the point of extraction or processing to the production centre.
- A3. Manufacture: the process of manufacturing and assembling the final product, including energy consumption, resource use, emissions, and waste generation.

Construction Phase

- A4. Transport to site: transport of materials from the production centre to the Project site.
- A5. Construction process: resources consumed, waste generated and emissions produced during the construction of the infrastructure.

Public Railway Entities

Public Business Entity: Railway Infrastructure Administrator (ADIF), Public Business Entity: ADIF-High Speed (ADIF AV), Public Business Entity: Renfe-Operadora and Renfe Engineering and Maintenance, S.M.E, S.A.

Glossary 2/2

Coordinating Urban Development Entity (EUCC)

An entity in which the four Boards are represented and where management decisions regarding shared or common elements across the different areas are approved, with a view to ensuring the proper overall development of Madrid Nuevo Norte.

MPG Traffic and Mobility Study

The Traffic and Mobility Study associated with the Specific Modification of the General Plan (MPG) for the Madrid Nuevo Norte project is a technical analysis that assesses how the planned urban development will affect mobility and traffic in the area and its surroundings. The aim of this study is to identify and propose solutions to ensure efficient and sustainable traffic flow, taking into account the increase in travel that the Project will generate.

Management and execution phase

Set of legally designed operations and procedures for transforming land use, particularly for urban development and construction, in accordance with urban planning.

LEED

Leadership in Energy and Environmental Design is a certification framework used to assess and recognise sustainable buildings based on the strategies implemented in energy efficiency and environmental design.

Master Plan

Strategic study establishing goals and guidelines for decision-making, developed for Crea Madrid Nuevo Norte in relation to the following areas: Universal Accessibility, Sustainability Certifications, Sustainable Urban Drainage, Energy, Logistics, Landscape, Waste and Telecommunications.

MPG

Specific amendment to the 1997 General Urban Development Plan of Madrid in the planning areas APR 08.03 "Extension of Castellana" and APE 05.27 "Colonia de Campamento".

SDG

Sustainable Development Goals are 17 global goals established in 2015 by the United Nations General Assembly to be achieved by 2030.

PGOUM

1997 General Urban Development Plan for Madrid.

Partial Plan for the Interior Reform of APR 05.10 (PPRI)

Partial plan for interior reform, a development planning instrument that aims to define the detailed layout of the Referred Planning Area "Chamartín Station".

Policies

A set of principles and rules that guide the decisions and actions of a government, organisation or individual in relation to a specific issue or situation.

Public Infrastructure System

Plots designated for public infrastructure (technical, energy and railway facilities, urban services, etc.). Sometimes featuring "Special Facilities" or specific infrastructure.

General Railway System

Land classified as part of the General System intended for railway infrastructure (tracks, sidings, access routes, technical installations linked to the railway, etc.).

Sustainable Urban Drainage Systems (SUDS)

Surface elements, which are permeable, integral to the urban-hydrological-landscape structure, designed to filter, retain, transport, accumulate, reuse and infiltrate rainwater into the ground in such a way that they do not degrade and even restore the quality of the water they manage.

Society for Urban Projects Management (SGF-SIP)

The company responsible for driving the urban regeneration project in Madrid Nuevo Norte.



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