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# ANNUAL REPORT ON DIRECTORS' REMUNERATIONS FOR LISTED PUBLIC LIMITED COMPANIES

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## DETAILS OF THE ISSUER

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### **COMPANY NAME:**

FERROVIAL, S.A.

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### **REGISTERED ADDRESS**

PRINCIPE DE VERGARA, 135 MADRID

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# 1. INTRODUCTION BY THE CHAIRMAN OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholder,

On behalf of Ferrovial's Nomination and Remuneration Committee, it is a pleasure to present the 2022 Annual Report on the Directors' Remuneration (ARDR), which includes information on the directors' remuneration policy applicable to the current financial year, a summary of the application of the remuneration policy and individual details of the remuneration received by the Directors during the financial year ended.

## 2022 Results

The company has shown a strong performance in its main infrastructure assets throughout 2022, in addition to achieving a new construction portfolio record.

In this sense, some of the most relevant results obtained in 2022 are detailed below:

- The Managed Lanes in the US and the 407 ETR highway in Canada had strong growth in sales compared to 2021, despite the macroeconomic environment and the slow reopening to mobility in Canada this year.
- The Airports division also experienced a recovery in traffic following the lifting of restrictions, with Heathrow in London and Dalaman in Turkey performing particularly positively, with the latter reaching traffic levels above 2019 levels in December.
- The Construction business was impacted this year by an environment of inflationary pressures, but thanks to proactive management and mitigating measures, margins remained positive throughout the year. The portfolio reached record highs after winning some large projects such as the Toronto underground project.
- Strong financial position: the net cash position ex-infrastructure ended the year at EUR 1,418 mn, thanks to the dividends obtained from infrastructure projects (EUR 475 mn), the good performance of Construction cash flow, and the cash obtained from divestments during the year, including the exit from the Services business following the sale of Amey.
- The year also witnessed significant investments that will enable Ferrovial's future growth:
  - o Highlights include capital injections on I-66 in Virginia (which opens to traffic in late 2022) and on NTE 3C, an extension of NTE35W in Texas.
  - o The acquisition of an additional 7.135% stake on the I-77 highway in North Carolina.
  - o The capital injections for the new terminal one (New terminal One) at JFK airport in New York, following the entry this year with a 49% stake in the consortium that will build and operate this terminal.
  - o The acquisition of a 60% stake in Dalaman International Airport in Turkey.

After these transactions, the net investment cash flow for the year closed with a gross cash flow from investments of EUR 856 mn and a gross cash flow from divestments of EUR 429 mn.

- The shareholder remuneration amounted to EUR 578 mn, up from EUR 463 mn in 2021. The amount for the year was made up of EUR 132 mn from the scrip dividend and EUR 445 mn in share buy-backs, including the share buy-back programme in 2022 and discretionary treasury shares.
- The relative Total Shareholder Return (TSR) for the last year was -8.6%, while that for the last two years amounted to +13.6% (2020-22).

## Remuneration decisions

Considering the above results, the annual variable remuneration related to the results of the 2022 fiscal year has been settled in the first quarter of 2023, whose payment level for the Chairman amounts to 139.1% of the target (91.5% of the maximum and 173.9% of the fixed remuneration) and for the Chief Executive Officer amounts to 133.7% of the target (89.2% of the maximum and 133.7% of the fixed remuneration). This process is detailed in section 3 "Implementation of the Directors' Remuneration Policy in 2022".

On the other hand, the settlement was carried out in March 2022 of the 2019 allocation corresponding to the 2019 Long-Term Incentive Plan, whose payment level amounted to 50% of the maximum incentive.

Additionally, a new Long-Term Incentive Plan (2023-2025 Plan) is expected to be submitted to the next General Shareholders' Meeting for approval. The Plan is a continuation of the previously approved plans, including, besides Activity Cash Flow and Total Shareholder Return regarding a comparator group and in accordance with best practices and recommendations of investors and proxy advisors, an ESG metric that includes greenhouse gas reduction, diversity and occupational health and safety targets.

The level of support obtained at the General Shareholders' Meeting held on 7 April 2022, for the items on the agenda relating to remuneration was significantly higher than in the two previous years. This was mainly due to the improvements introduced in the Directors' Remuneration Policy and in the 2021 Annual report on directors' remunerations for listed public limited companies.

## People and diversity

In 2021, Ms. Hildegard Wortmann and Ms. Alicia Reyes joined the Board of Directors, completing and raising the profile of the Board with their knowledge of different sectors of activity relevant to Ferrovial (automotive, financial and technology) and their previous management experience, was approved at the General Shareholders' Meeting held on 7 April 2022. The ratification of their co-optation and their appointment for 3 years, as well as the re-election for 3 years of the Director Ms. María del Pino. As a result, Ferrovial's Board of Directors is made up of 12 members, of which 33,3% are women. This percentage would rise to 40% if we exclude Executive Directors, meaning that Ferrovial would already be in compliance with the European directive (Directive (EU) 2022/2381 on a better gender balance among directors of listed companies and related measures) pending transposition.

### Concluding remarks

Finally, I would like to thank, on behalf of the Nomination and Remuneration Committee, the contributions and support received for the preparation of this report. The Committee is committed to continue aligning the remuneration policy with the Company's business strategy and long-term sustainability, as well as with the interests of our shareholders and other stakeholders, reflecting our culture and at the same time offering a sound remuneration model. In addition, the members of the Committee are committed to continuing to improve the existing level of interaction with institutional investors and *proxy advisors* as an avenue for ongoing dialogue to exchange views and expectations about the company.

According to the applicable legislation, this annual remuneration report will be submitted to an advisory vote, separately, at the 2023 Annual General Shareholders' Meeting.

Signed: Bruno Di Leo



## 2. DIRECTORS' REMUNERATION POLICY IN 2023

### 2.1 MAIN ASPECTS OF THE POLICY

The current Remuneration Policy for the directors of Ferrovial (the "Directors") is that approved, at the proposal of Ferrovial's Board of Directors (the "Board of Directors"), by Ferrovial's general shareholders' meeting (the "General Shareholders' Meeting" or the "General Meeting") held on 7 April 2022, which shall remain in effect until the 2025 financial year (inclusive).

The Directors' Remuneration Policy can be accessed at the following link: <https://www.ferrovial.com/wp-content/uploads/2022/05/directors-remuneration-policy.pdf>

The Remuneration Policy establishes a competitive remuneration package that promotes the long-term development of the Company, avoids the assumption of excessive or inappropriate risks and aligns the interests of Ferrovial's professionals with those of the shareholders.

In view of the above, the remuneration policy is based on the following principles:

Creation of long-term value	Creation of long-term value, aligning remuneration systems with the strategic plan, the interests of shareholders and other stakeholders and the long-term sustainability of the Company
Attraction and retention	Attraction and retention of the best professionals
Competitiveness	External competitiveness in settling remuneration, with market references through analysis of comparable sectors and companies
Link to the share price and profitability	Periodic participation in plans linked to the share price and to certain metrics of profitability
Risk control	Responsible achievement of targets in accordance with the risk management policy of the Company
Balanced remuneration mix	Maintenance of a reasonable balance between the different components of fixed and variable (annual and long-term) remuneration, reflecting an appropriate assumption of risks combined with attainment of the targets defined
Transparency	Transparency in the remuneration policy and remuneration report

In addition, the economic environment, the Company's results, the strategy of the Ferrovial Group (the "Group"), legal requirements and best market practices are taken into consideration when defining the Remuneration Policy.

We adopt sound compensation practices	We avoid the following remuneration practices
<b>Executive Directors</b>	
Link the payment of remuneration to the results of the Company (" <i>pay for performance</i> ")	There are no compensation clauses for the extinction of the relationship with the Chairman
Payment of part of the remuneration in shares and/or share options of the Company (except in the case of the Chairman if the relevant Plan would be approved by the General Shareholders' Meeting establishes his payment in cash)	There are no contractual obligations in the event of a change of control
Comparative remuneration analysis	There are no commitments to pensions
Conservative benefits package, in line with the Group's management policy	No loans or advances are granted
Holding of shares worth twice their fixed remuneration	
No exercise of rights over shares until 3 years after the date of their allocation	
Their contracts include clauses for the recovery of their variable remuneration	
Publication of the comparison group	
Regular shareholder consultation process	
External consultancy	
<b>Directors in their standing as such</b>	
They do not participate in remuneration formulas consisting in the delivery of shares or share options in the Company, nor in instruments referenced to the value of the share or systems linked to the performance of the Company	

## 2.2. COMPARABLE COMPANIES USED TO DETERMINE THE REMUNERATION POLICY

In order to ensure the attraction, retention and commitment of the best professionals and thus achieve the Company's long-term targets, the Nomination and Remuneration Committee periodically assesses market information in relation to remuneration levels, mix and practices.

Specifically, up to the date of preparation of this report, various analyses have been carried out on the remuneration of Executive Directors and Directors in their capacity as such, with the support of external advisors of recognized prestige in the field.

With regards to the Executive Directors, the market that is taken as a benchmark by the Nomination and Remuneration Committee to establish the different components for the remuneration is established based on the following criteria:

- i) sufficient number of companies to obtain representative and statistically reliable and sound results;
- ii) dimension data: turnover, market capitalization, assets, number of employees and geographic scope;
- iii) area of responsibility: companies mainly listed in IBEX35 and multinationals in the sector; and
- iv) sectoral distribution: multi-sectoral sample with relevant weight of the construction, energy and financial sectors.

As a result, the comparison group consists of the following 24 companies:

Acciona	BBVA	Inditex	Skanska
ACS	Eiffage	Indra	SNC Lavalin
AdP	Fraport	Kier	Strabag
Atlantia	Getlink	Naturgy	Telefónica
Balfour Beatty	Granite	Repsol	Transurban
Banco Santander	Iberdrola	Sacyr	Vinci

This comparator group is consistent with that established for purposes of measuring Relative Total Shareholder Return in the 2020-2022 Long-Term Incentive Plan. CCR is excluded as there is limited public information on the remuneration of the chief executive. IBEX35 companies are added, competitors for talent.

Ferrovial is around the median of the comparison group of 24 companies in size.

With respect to Directors' remuneration in their standing as such, the market information in Spain is analysed, in particular, in the IBEX35 companies. Ferrovial is around the 75th percentile for size and around the median for remuneration. The comparison group used for Executive Directors is also analysed periodically.

The Committee considers market information in the decision-making process but does not apply a mechanical approach in determining remuneration levels.

## 2.3. REMUNERATION OF EXECUTIVE DIRECTORS

The total remuneration of Ferrovial's Executive Directors is made up of different remuneration elements, consisting mainly of the following: (i) a fixed remuneration, (ii) an annual variable remuneration and (iii) a long-term variable remuneration.

CHAIRMAN*	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term variable remuneration (Long-term incentive plans)
Amounts	€1,500,000	<b>Target:</b> 125% of the FR <b>Maximum:</b> 190% of the FR	<b>Maximum</b> (annualised): 150% of the FR
Targets	N/A	80% Quantitative: <ul style="list-style-type: none"> <li>• Net Result (55%)</li> <li>• Cash Flow (45%)</li> </ul> 20% Qualitative and ESG	2020-2022 Plan (2020, 2021 and 2022 grant): <ul style="list-style-type: none"> <li>• 50% Activity cash flow</li> <li>• 50% Relative TSR</li> </ul> 2023-2025 Plan (2023 grant): <ul style="list-style-type: none"> <li>• 40% Activity cash flow</li> <li>• 50% Relative TSR</li> <li>• 10 % ESG metrics (greenhouse gas reduction, diversity and occupational health and safety goals)</li> </ul>
Design	N/A	100% in cash Malus and clawback clauses Discretion of the Board in exceptional circumstances	100% in shares 3 years of target measurement Malus and clawback clauses

CHIEF EXECUTIVE OFFICER*	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term variable remuneration (Long-term incentive plans)
Amounts	€1,150,000	<b>Target:</b> 100% of the FR <b>Maximum:</b> 150% of the FR	<b>Maximum</b> (annualised): 150% of the FR
Targets	N/A	70% Quantitative: <ul style="list-style-type: none"> <li>• Net Result (55%)</li> <li>• Cash Flow (45%)</li> </ul> 30% Qualitative and ESG	2020-2022 Plan (2020, 2021 and 2022 grant): <ul style="list-style-type: none"> <li>• 50% Activity cash flow</li> <li>• 50% Relative TSR</li> </ul> 2023-2025 Plan (2023 grant): <ul style="list-style-type: none"> <li>• 40% Activity cash flow</li> <li>• 50% Relative TSR</li> <li>• 10 % ESG metrics (greenhouse gas reduction, diversity and occupational health and safety goals)</li> </ul>
Design	N/A	100% in cash Malus and clawback clauses Discretion of the Board in exceptional circumstances	100% in shares 3 years of target measurement Malus and clawback clauses

\* Executive Directors may allocate part of their annual gross fixed remuneration to obtain some of the products or services offered by the company within the flexible remuneration plan, such as life insurance, accident insurance, health insurance and company cars. In addition, the company has taken out life insurance policies to cover the risk of death and disability of the Executive Directors.

In addition, the Chief Executive Officer participates in a deferred remuneration scheme that will only become effective when they leave the Company by mutual agreement with the Company upon reaching a certain age, and therefore there are no vested rights. The annual contributions amount to 20% of the Total Remuneration (fixed remuneration plus the annual variable remuneration *target* of 100%). The right to receive this extraordinary remuneration shall be incompatible with the payment of any compensation that the Chief Executive Officer may be entitled to receive as a result of the termination of their relationship with the Company.

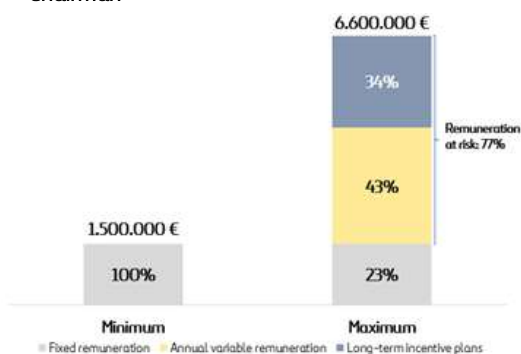
The fixed remuneration of the Chairman and the Chief Executive Officer remains constant in 2023.

With regard to the remuneration mix, Ferrovial's remuneration policy establishes an appropriate balance between fixed and variable components of remuneration. In this regard, the weight of remuneration at risk for executive directors is at least 75% of total remuneration for a maximum scenario that envisages a maximum long-term incentive award and over-achievement of targets.

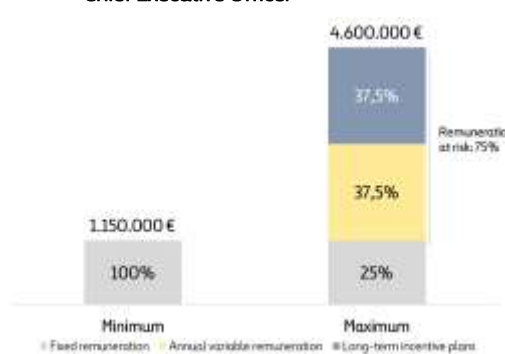
The graphs detail the level of total remuneration, as well as the remuneration mix for a scenario of minimum and maximum compliance with targets:

- The maximum value assumes that the maximum annual variable remuneration (190% of the fixed remuneration for the Chairman and 150% of the fixed remuneration for the Chief Executive Officer) and the maximum annualised long-term variable remuneration (150% of the fixed remuneration) would accrue.
- The value of the maximum annualised long-term variable remuneration is defined based on the initial share price at the grant date. The potential variation of the share during the target measurement period is not taken into account.

### Chairman



### Chief Executive Officer





### 2.3.1. DETAILS OF THE REMUNERATION ELEMENTS OF EXECUTIVE DIRECTORS

The elements that make up the remuneration of the Executive Directors are as follows:

<p><b>Fixed remuneration</b></p> <p>To reward upon the basis of level of responsibility and professional background</p>	<p><b>Operations</b></p> <p>This is determined by taking into account the remit of the executive duties associated to the post and comparative remuneration information for listed companies similar to the Company It is paid monthly.</p> <p><b>Amount</b></p> <ul style="list-style-type: none"> <li>• Chairman: €1,500,000</li> <li>• Chief Executive Officer: €1,150,000</li> </ul>
<p><b>Remuneration in kind</b></p> <p>To offer a competitive compensation package</p>	<p><b>Implementation</b></p> <p>In line with the policy for the Group's executives, the Company has taken out life insurance policies to cover the risk of death and disability, of which the Executive Directors are the beneficiaries. In addition, Executive Directors are eligible for other social benefits such as company car, medical insurance, life and accident insurance, liability insurance and other non-material benefits.</p> <p>Executive Directors may allocate part of their annual gross fixed remuneration to obtain some of the products or services offered by the company under the flexible remuneration plan.</p> <p><b>Maximum amount</b></p> <ul style="list-style-type: none"> <li>• Chairman: €50,000</li> <li>• Chief Executive Officer: €50,000</li> </ul>

#### Long-term savings schemes (applicable only to the Chief Executive Officer)

Ferrovial does not have obligations contracted or for pensions with any member of the Board of Directors.

In accordance with the provisions of Ferrovial's current Director's Remuneration Policy, the Chief Executive Officer may participate in a deferred remuneration scheme that will only become effective when the Director leaves the Company by mutual agreement with the Company upon reaching a certain age, and therefore there are no consolidated rights.

The Chief Executive Officer, Mr. Ignacio Madrideo, participates in this deferred remuneration scheme in accordance with the provisions of his mercantile contract signed with the Company.

To cover this extraordinary remuneration, the Company will make annual contributions to a collective savings insurance policy, of which the Company itself is the policyholder and beneficiary, quantified according to a certain percentage that has been set, for 2023, at 20% of the Total Annual Remuneration (fixed remuneration plus target annual variable remuneration of 100%) of the Chief Executive Officer.

The right to receive extraordinary remuneration by the Chief Executive Officer shall be incompatible with the collection of any compensation that the Director may be entitled to receive as a result of the termination of their relationship with the Company.

**Variable annual remuneration**

To reward the creation of value through the attainment of targets envisaged in the strategic plans for the Group

**Operations**

Executive Directors participate in the Group's general annual variable remuneration system. This remuneration is paid in cash. In the event that Executive Directors of the Company should draw fees for attendance at meetings of the Boards and Committees of other companies of the Group, the sums drawn for this item shall be deducted from the variable annual remuneration of each Director.

**Amount**

	Target	Maximum
Chairman	125% of fixed remuneration	190% of fixed remuneration
Chief Executive Officer	100% of fixed remuneration	150% of fixed remuneration

**Targets**

Annual Variable Remuneration is linked to individual performance and to the achievement of specific, predetermined, quantifiable economic-financial, industrial and operating targets, aligned with the Company's interests, as set out in the Company's strategic plans (e.g., net income, cash flow, etc.). This is without prejudice to the possibility of analysing other targets, particularly in the areas of corporate governance and corporate social responsibility, which may be of a quantitative or qualitative nature (e.g., stakeholder relations, employee health and safety, people development, innovation, etc.).

Specifically, for the 2023 financial year, the targets established are as follows:

	QUANTITATIVE TARGETS		QUALITATIVE TARGETS AND ESG	
	Weight	Metrics	Weight	Metrics
Chairman	80%	<ul style="list-style-type: none"> <li>55% • Net Result</li> <li>45% • Cash Flow</li> </ul>	20%	<ul style="list-style-type: none"> <li>• Operation of the Board and the Executive Committee.</li> <li>• Strategic Plan.</li> <li>• Environmental, Social and Corporate Governance (ESG) <i>Factors:</i> <ul style="list-style-type: none"> <li>- Corporate governance.</li> <li>- Successions.</li> <li>- Institutional relations.</li> </ul> </li> </ul>
CEO	70%	<ul style="list-style-type: none"> <li>55% • Net Result</li> <li>45% • Cash Flow</li> </ul>	30%	<ul style="list-style-type: none"> <li>• Strategic Plan.</li> <li>• Environmental, Social and Corporate Governance (ESG) <i>Factors:</i> <ul style="list-style-type: none"> <li>- Employee health and safety, as measured by the Company's accident rates.</li> <li>- Promotion of Innovation and Corporate Social Responsibility, Diversity, Emission Reduction and Sustainability.</li> <li>- Development of professional teams that guarantee the stability in the management and attainment of strategic targets of the organisation.</li> <li>- Suitability and monitoring of the procedures associated with the taking on of controlled risk.</li> <li>- Relationship with stakeholders.</li> </ul> </li> </ul>

Long-term variable remuneration

To reward the creation of sustainable value for the shareholder in the long term

Operations

Executive Directors participate in a long-term variable remuneration system based on share delivery plans, in which other executives and key professionals of the Group also participate.

The 2020-2022 Plan, which was approved at the General Shareholders' Meeting on 17 April 2020, provides for the allocation of units in 2020, 2021 and 2022. The shares will be delivered, as the case may be, in the year in which the third anniversary of the allocation of the corresponding units is reached. In 2023, the second grant (2021-2023) and the third grant (2022-2024) are in force.

On the other hand, a new Long-Term Incentive Plan (2023-2025 Plan), similar to the previous ones, is expected to be submitted to the next General Shareholders' Meeting for approval.

The units allocated may be converted into shares if (i) they remain in the Company for a maturity period of 3 years from the date of allocation of the units, except in exceptional circumstances such as retirement, disability or death, and (ii) certain objectives linked to internal or external metrics reflecting economic-financial targets and/or value creation for the company are met, under the terms approved by the respective General Shareholders' Meetings.

Amount

In accordance with the remuneration policy in force, the approximate maximum value of the units granted under the Long-Term Incentive Plans, at prices on the date of the granting, may reach up to 150% of the fixed remuneration of the Executive Directors.

Targets

		% Metrics	Scale of achievement		
			Degree of achievement		% payout
2020-2022 Plan	2021 Grant	50% Activity cash flow	Maximum	≥ €1,932 million	50%
			Minimum	≤ €1,126 million	0%
	2022 Grant	50% Relative TSR	Maximum	Position 1 to 3	50%
			Minimum	Position 10 to 18	0%
2023-2025 Plan (*)	2023 Grant	50% Activity cash flow	Maximum	≥ 1,635 million	50%
			Minimum	≤ 849 million	0%
	2023 Grant	50% Relative TSR	Maximum	Position 1 to 3	50%
			Minimum	Position 10 to 18	0%
2023-2025 Plan (*)	2023 Grant	40% Activity Cash Flow	Maximum	> € 836 million	40%
			Minimum	< € 571 million	0%
	2023 Grant	50% Relative TSR	Maximum	Position 1 to 3	50%
			Minimum	Position 10 to 18	0%
2023-2025 Plan (*)	2023 Grant	10% CO <sub>2</sub> Emissions	Maximum	≥ 26.9%	5%
			Minimum	≤ 21.5%	0%
	2023 Grant	10% Diversity	Maximum	≥ 32.0%	2.5%
			Minimum	≤ 27.2 %	0%
2023 Grant	10% Health and Safety	Maximum	≥ 27.1%	2.5%	
		Minimum	≤ 19.0 %	0%	

(\*) Subject to approval by the General Shareholders' Meeting.

In this regard:

- Activity cash flow: the sum of Operating Cash Flow before Taxes and Net Investment Cash Flow, excluding investment or divestment transactions not committed at the start date of the Plan, as well as operating cash flows related to such investments.
- CO<sub>2</sub> emissions: The % decrease in CO<sub>2</sub> equivalent tonnes, taking the base year of 2009 as a reference.
- Diversity: The % of women in Ferrovial's leadership team (FLT) compared to the total number of members of that group.

- Health and safety: Reduction in the frequency rate of serious and fatal accidents, which is calculated as the number of serious and fatal accidents multiplied by 1,000,000 and divided by the total number of hours worked applied to Ferrovial and its contractors.
- Relative TSR: Total Shareholder Return (TSR) compared to the following groups of companies:
  - For the 2020-2022 Plan - Second and Third grant: ACS, CCR, Granite, Atlantia, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.
  - For the 2023-2025 Plan - First grant: ACS, CCR, Granite, BIP, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Tutor Perini, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Webuild and AENA.

### 2.3.2. SHARE HOLDING POLICY

Once the shares or stock options or rights over shares corresponding to the remuneration systems have been assigned, the Executive Directors may not transfer their ownership or exercise them until a period of at least 3 years has elapsed.

An exception is made in the case where the Director maintains, at the time of the transfer or exercise, a net financial exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice their annual fixed remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to shares that the Director needs to dispose of, where appropriate, in order to meet the costs related to their acquisition or, subject to the favourable opinion of the Nomination and Remuneration Committee, in order to deal with extraordinary situations that so require.

### 2.3.3. MALUS AND CLAWBACK CLAUSES

With regard to the formulas or clauses for the reduction of remuneration (*malus*), or for the recovery of the variable components of remuneration (*clawback*), it is important to note:

- i) The contractual agreements of the Executive Directors include a clause that allows the Company to require these Directors to return up to one hundred per cent of the net variable monetary remuneration in cash or in shares paid to the Executive Directors in a given year when, during the 3 years following the date of payment, it is revealed and accredited (in accordance with the provisions of the clause) that the payment was made, totally or partially, based on inaccurate data, if said inaccuracy has caused a significant negative effect on the Company's profit and loss accounts for any of the financial years of the said 3-year period.

The Board of Directors shall determine whether this circumstance has arisen and the sum, which is to be returned, upon the basis, where applicable, of prior reports by the advisory Committees or other reports deemed appropriate.

The Company may offset the amount to be claimed against any other variable remuneration that the Executive Directors are entitled to receive.

The foregoing rules are without prejudice to any other liabilities, if any, that may arise for the Executive Directors from the aforementioned circumstances.

- ii) The Nomination and Remuneration Committee has the power to propose to the Board of Directors the cancellation of the payment of variable remuneration in the type of circumstances indicated in the previous section.

- iii) The Nomination and Remuneration Committee will assess whether exceptional circumstances of this type may even lead to the termination of the relationship with the relevant manager(s) and will propose to the Board of Directors the adoption of any appropriate measures.

### 2.3.4. TERMS AND CONDITIONS OF CONTRACTS, INCLUDING SEVERANCE PAYMENTS AND NON-COMPETE COVENANTS

The most relevant conditions of the Chairman's contract are described below:

- a) **Duration:** Indefinite
- b) **Cases of termination and compensation:** termination of their contract for any reason whatsoever shall not entitle them to any compensation.
- c) **Exclusivity:** they are obliged to provide services exclusively to the Company and may not enter into contracts with other companies competing with Ferrovial, either on their own or through intermediaries, whether family members or not, which imply effective competition with Ferrovial's activities.
- d) **Non-competition:** the contract contains a post-contractual non-competition obligation for a period of 2 years remunerated with 2 annuities of their fixed remuneration.
- e) **Recovery clause:** as indicated in section 2.3.3 above.

The most relevant conditions of the Chief Executive Officer's contract are described below:

- a) **Duration:** Indefinite.
- b) **Prior notice:** in the event of termination for causes attributable to the Company, the latter must notify the Chief Executive Officer of the termination three months prior to the date of termination. Should this period not be complied with, the Company must disburse a sum equivalent to the remuneration corresponding to the period of advance notice remaining.
- c) **Cases of termination and compensation:** The Contract shall be terminated by the sole will of the Company expressed by means of a resolution of the Board of Directors. It shall also be immediately and automatically terminated in the event of (i) dismissal or non-renewal of the Chief Executive Officer as a director by the General Shareholders' Meeting; or (ii) revoking in whole or in part, as the case may be, of the powers delegated to them by the Board of Directors or of the powers granted to them by the Company. In the event of termination, they shall be entitled to gross compensation equal to the greater of the following two amounts: (i) the amount resulting from adding the annual amount of the fixed remuneration and the annual variable target remuneration corresponding to the year in which the contract is terminated; or (ii) the

amounts accumulated on the date on which the contract is terminated in the extraordinary deferred remuneration plan referred to in the Long-Term Savings System with the limit of 2 annual payments of the total annual remuneration.

- d) **Exclusivity:** The Director is obliged to provide services exclusively to the Company and may not sign contracts with other companies competing with Ferrovial, either alone or through intermediaries, family members or otherwise, that imply effective competition with Ferrovial's activities.
- e) **Non-competition:** 50% of the amount that could be received in the event of termination will be subject to compliance with the 2-year post-contractual non-competition agreement.
- f) **Recovery clause:** as indicated in section 2.3.3 above.

#### **2.4 REMUNERATION OF DIRECTORS IN THEIR STATUS AS DIRECTORS**

In accordance with the approval of the Directors' remuneration policy, the total maximum amount is established as approved by the General Shareholders' Meeting. Therefore, for 2023 as remuneration for membership of the Company's Board of Directors amounts to €1,900,000.

ITEM	REMUNERATION	
Fixed emolument	€35,000	
Complementary fixed emolument	Chairman	€92,000
	Deputy-chairman 1	€80,500
	Deputy-chairman 2	€57,500
	Other members of the Board	€46,000
Attendance fees* (€ per meeting)	Board of Directors	€6,000
	Executive C.	€2,200
	Audit and Control C.	€2,200
	Nomination and Remuneration C.	€1,650

\* The amount of the attendance fees corresponding to the Chairmen of these bodies is doubled the amounts indicated, in line with the principle of rewarding according to the level of responsibility and dedication required by the position.

The fixed emolument is a statutory remuneration of the Board of Directors, which is paid in quarterly settlements, and the supplementary fixed emolument is paid in a single payment at the end of the financial year.

The amounts mentioned above may be amended each year by the Board of Directors within the framework of Article 56 of the Bylaws, the Directors' remuneration policy in force at any given time and within the maximum annual amount approved by the General Shareholders' Meeting.

If the maximum annual amount is exceeded, the fixed supplementary allowance shall first be reduced proportionally to each Director according to his or her condition.

If the maximum annual amount is not reached, the Board shall decide in accordance with the powers granted to it.

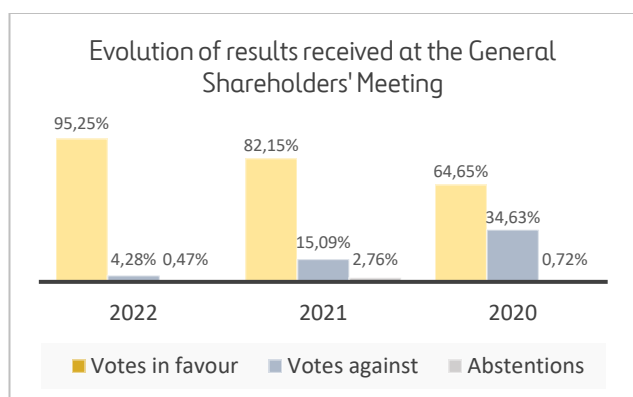
### 3. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2022

#### 3.1. EVOLUTION AND IMPACT OF THE RESULTS OF THE VOTES OBTAINED AT THE GENERAL SHAREHOLDERS' MEETING

The following table shows the result of the advisory vote of the AGM to the annual report on directors' remuneration related to the 2021 financial year.

	NUMBER	% ON THE TOTAL SHARE CAPITAL
Votes cast	532,355,281	72.57%
	NUMBER	% ON CAST
Votes against	22,791,490	4.28%
Votes in favour	507,049,091	95.25%
Abstentions	2,514,314	0.47%
Blank votes	386	0.00%

The following graph shows the evolution of the advisory vote of the General Shareholders' Meeting on the annual report on remuneration over the last 3 financial years:



The level of support obtained at the General Shareholders' Meeting held on 7 April 2022, for the items on the agenda relating to remuneration was significantly higher than in the two previous years. This was mainly due to the improvements introduced in the Directors' Remuneration Policy, approved by the 2022 Annual General Shareholders' Meeting with 95.81% votes in favour, and in the 2021 ARDR (published once again this year in a free format).

As usual, and during the second quarter of 2022, the Nomination and Remuneration Committee reviewed in depth the comments,

recommendations and suggestions received from institutional investors and *proxy advisors* to make further progress in corporate governance.

Section 5 describes all the measures carried out during the 2022 financial year.

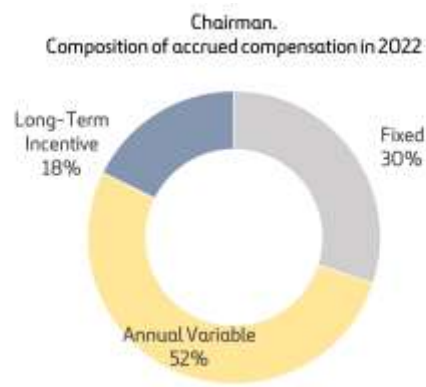
#### 3.2. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2022

The Board of Directors and the Nomination and Remuneration Committee have strictly applied the Remuneration Policy following the principles established therein.

The remuneration accrued in the 2022 financial year has followed the terms of the current Remuneration Policy approved by the General Shareholders' Meeting held on 7 April 2022, in accordance with the provisions of Article 529 novodecies of the Capital Companies Act. It is noted that there has been no deviation from the procedure for the application of the remuneration policy, the limits in force have not been exceeded and no temporary exception has been applied to it.

#### 3.3. REMUNERATION OF EXECUTIVE DIRECTORS ACCRUED IN 2022

During the financial year 2022 the Board of Directors had 2 Executive Directors: Mr. Rafael del Pino y Calvo-Sotelo, Chairman, and Mr. Ignacio Madridejos Fernández, Chief Executive Officer. Their contracts were not amended during the year. Section 2.3. details the remuneration elements that make up their remuneration. The remuneration mix for Executive Directors establishes an appropriate balance between fixed and variable components of remuneration. The following chart shows the weight of each of the remuneration components accrued in 2022 for the Chairman:



Below is a description of each of the components of executive directors' remuneration:

### **3.3.1. FIXED REMUNERATION**

Executive Directors receive a fixed remuneration for the performance of their executive duties within the Company, which is paid on a monthly basis, and which is established according to their level of responsibility and professional career.

The amount of fixed remuneration in their capacity as Executive Directors for the 2022 financial year amounted in aggregate to €2,650 thousand, broken down as follows:

- €1,500 thousand for the Chairman, which remains unchanged with respect to 2020 (excluding the reduction of 20% that was applied to the fixed remuneration between 7 April and 31 July 2020, as a result of the COVID-19 global pandemic).
- €1,150 thousand for the Chief Executive Officer.

Information on their fixed and supplementary allowance, as for the rest of the Directors in their capacity as such, can be found in section 3.5.

### **3.3.2. VARIABLE REMUNERATION**

The variable remuneration of the Executive Directors is linked to various corporate metrics of results and profitability, which provide a complete view of Ferrovial's activity.

In accordance with the current remuneration policy, the short and long-term variable remuneration systems incorporate measures that take into account possible variations in the Company's results, including the following:

- Both the annual variable remuneration and long-term variable remuneration include defined scales of achievement that take into account the economic-financial and operational targets of the Company's strategic plan, and in the case of the long-term variable remuneration, also the creation of value for the shareholder. Thus, changes in the Company's performance, in the short and long term, will have a direct impact on the amount of variable remuneration to be received by the Executive Directors.
- In addition, in the case of variable annual remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.
- The variable annual and long-term remuneration only accrues after the date of preparation of the corresponding annual accounts, after it has been possible to determine the degree of achievement of the quantitative targets.

- All variable remuneration is subject to a recovery clause that allows the Company to claim from Executive Directors the reimbursement of the variable components of remuneration when these have been paid on the basis of data the inaccuracy of which is subsequently proven.
- In addition, an obligation to hold shares is established, in the case of medium- and long-term variable remuneration, which is settled in shares.
- The Committee has carried out the evaluation process to determine the degree of attainment of the objectives. In this process, the Committee has been able to avail of the support of the Finance Department, responsible for management control of the Group, which facilitates the financial results of the Group duly audited and verified by the Audit and Control Committee. It has also been verified by the external auditor.

#### **A) Annual variable remuneration**

The Executive Directors receive an annual variable remuneration to reward the creation of value through the achievement of the targets taken into account in the Group's strategic plans.

In 2022 the level of payout is as follows:

- For the Chairman, € 2,609 thousand, which is 139.1%% of the *target* (91.5% of the maximum possible 173.9% of the 2022 fixed remuneration).
- In the case of the Chief Executive Officer, € 1,538 thousand, which is 133.7% of the *target* (89.2% of the maximum possible and 133.7% of the 2022 fixed remuneration).

The following tables show the breakdown of the short-term variable remuneration including the targets that will finally be applied to determine the annual remuneration of the Chairman and the Chief Executive Officer:

CHAIRMAN	WEIGHT		METRICS	DEGREE OF ACHIEVEMENT OF TARGETS				Final Incentive Level
				Minimum	Target	Maximum	Real	
QUANTITATIVE TARGETS	80%	55%	Net result	€ 0 M	€ 139 M	€ 229 M	€ 189 M	€ 1,120 th
		45%	Cash flow	€ -24 M	€ -8 M	€ 20 M	€ 587 M	€ 1,114 th
QUANTITATIVE TARGETS AND ESG (Environmental, social and corporate governance factors)	20%		Operation of the Board and the Executive Committee (20%)				100 %	€ 375 th
			Strategic Plan (20%)				100 %	
			ESG factors: Corporate Governance (20%)				100 %	
			ESG Factor: Successions (20%)				100 %	
			ESG Factor: Institutional Relations (20%)				100 %	
								€ 2,609 th

CHIEF EXECUTIVE OFFICER	WEIGHT		METRICS	DEGREE OF ACHIEVEMENT OF TARGETS				Final Incentive Level
				Minimum	Target	Maximum	Real	
QUANTITATIVE TARGETS	70%	55%	Net result	€ 0 M	€ 139 M	€ 229 M	€ 189 M	€ 617 th
		45%	Cash flow	€ -24 M	€ -8 M	€ 20 M	€ 587 M	€ 621 th
QUANTITATIVE TARGETS AND ESG (Environmental, social and corporate governance factors)	30%		Strategic Plan (30%)				100%	€ 300 th
			ESG factor: Employee health and safety, as measured by the Company's accident rates (15%)				63%	
			ESG Factor: Promotion of Innovation and Corporate Social Responsibility, Diversity, Emission Reduction and Sustainability (20%)				75%	
			ESG Factor: Development of professional teams that guarantee stability in the management and achievement of the organisation's strategic targets (20%)				97%	
			ESG Factor: Suitability and monitoring of procedures linked to taking on controlled risks (5%)				100%	
			ESG Factor: Relationship with stakeholders (10%)				83%	
								€ 1,538 th



**Note:** The data verification process related to the financial assessment of the targets for Executive Directors has been completed in accordance with the resolutions and the internal validation procedure.

The figure for compliance with the Net Income amounts to EUR 189 mn, and is calculated as follows:

- Part of the Net Income published in the Integrated Report in section 2 of the Consolidated Financial Statements, Statement B of the Consolidated Income Statement EUR 186 mn.
- Excluding the extraordinary impacts of EUR -35 mn detailed in the table in Section 2 Profit for the year, as defined in the proforma in the Appendix Alternative Performance Measures.
- Also excluded is the cost of the Canadian dollar hedges applied to the cash remuneration (EUR 38 mn), not considered in the target as it is a change of criteria (previously considered as reserves, with no impact on the income statement).

The cash flow figure of EUR 587 mn corresponds to the cash flow from ex-project activity of EUR 66 mn, published in the Cash Flow Section 5.3 of the Consolidated Financial Statements, eliminating: tax payment detailed in that Statement (EUR 91 mn), the uncommitted investment at the target date in companies acquired in 2021 (Dalaman EUR 119 mn, JFK EUR 59 mn) and the purchase of stakes in existing brownfield projects (acquisition of 7.135% of I-77 for EUR 104 mn; companies in the Services and Energy sector in the case of Budimex for EUR 12 mn); and the operating cash flow from the Services division (whose sale was completed in 2022), as well as its relative transaction costs (EUR 27 mn). Finally, based on the definition, the portion related to the Vendor Loan (GBP 152 mn; EUR 178 mn) is considered as cash inflow from the sale of Alba.

## B) Long-term Variable Remuneration

Executive Directors receive variable remuneration in the long term to reward the creation of sustainable shareholder value over the long term.

In accordance with the current remuneration policy, and as detailed in section 2.3, the approximate maximum value of the units granted under the Long-Term Incentive Plans, at grant date prices, may reach up to 150% of the fixed remuneration of the Executive Directors.

As reported in the 2021 ARDR, in 2022 the delivery of the shares corresponding to the grant of the 2019 Plan, whose target measurement period comprised the period 2019-2021, has taken place. The incentive level for the Chairman amounted to €883 thousand and €183 thousand for the Chief Executive Officer, corresponding to the relevant 35,000 and the 7,234 shares valued as of 16 March 2022. This number of shares delivered is equivalent to 50% of those initially granted.

The first grant of the 2020-2022 Plan expired in 2022, with a target measurement period of 2020-2022. The number of shares to be delivered in 2023 will be equivalent to 63.88% of the units granted in 2020:

2020 Grant	Weight	Degree of achievement of the targets			% Payout
		Minimum	Maximum	Real	
Activity Cash flow	50%	≤ €663M	≥ €977 M	€839 M	33.88%
Relative TSR*	50%	Position 10 to 18	Position 1 to 3	Position 9	30%
<b>% aggregate payment</b>					<b>63.88%</b>

\* Comparison group: ACS, CCR, Granite, Atlantia, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.

The following long-term incentive plans were in force at the end of 2022:

- The first grant of the 2020-2022 Plan, whose target measurement period covers the period 2020-2022.
- The second grant of the 2020-2022 Plan, whose target measurement period covers the period 2021-2023.
- The third grant of the 2022-2022 Plan, whose target measurement period covers the period 2022-2024.

The following table shows the movements of the share-based remuneration systems and gross profit from consolidated shares.

Long-Term Incentive Plan		At the beginning of 2022 financial year	Granted during the 2022 financial year	Consolidated during the 2022 financial year				Instruments expired and not exercised	At the end of the 2022 financial year	
Plan	Grant	No. of Equivalent shares	No. of Equivalent shares	No. of Equivalent shares	No. of consolidated equivalent shares	Consolidated share price (€)	Gross profit from consolidated shares (€ thousand)	No. of instruments (units)	No. of Equivalent shares	
Chairman	2019	2019	70,000	--	35,000	35,000	25.242	883	35,000	
	2020-2022	2020	46,500	--	--	--	--	--	--	46,500
		2021	67,500	--	--	--	--	--	--	67,500
		2022	--	56,400	--	--	--	--	--	56,400
Chief Executive Officer	2019	2019	14,468	--	7,234	7,234	25.242	183	7,234	
	2020-2022	2020	46,500	--	--	--	--	--	--	46,500
		2021	67,500	--	--	--	--	--	--	67,500
		2022	--	56,400	--	--	--	--	--	56,400

**Note:** The number of shares annually granted to the Chairman, represents 0.04% of his stake in the capital of the company and, therefore, represents an amount that is not relevant with respect to it. Additionally, there is no dilution at the time of the settlement of the Long-Term Incentive Plans since there is no capital increase in any case. Therefore, it does not affect minority shareholders.

In the case of the Chairman, the average allocation of units (at grant prices) over fixed remuneration in the 2018-2022 period has been of 93%, below the limit established in the Directors' Remuneration Policy of 150%.

### **3.3.3 OTHER ITEMS OF REMUNERATION OF EXECUTIVE DIRECTORS IN 2022**

#### **- PAYMENT IN KIND**

The Company has subscribed life assurance policies to cover the risk of death or incapacity of the Executive Directors. For 2022, the amount of the life insurance premium has risen to:

- € 10 thousand for the Chairman.
- € 5 thousand for the Chief Executive Officer.

During 2022, the current Chief Executive Officer, Mr. Ignacio Madridejos, has been allocated the amount of € 8 thousand as remuneration in kind corresponding to a company car.

#### **- LONG-TERM SAVINGS SCHEMES AND OTHER REMUNERATIONS**

##### *Deferred remuneration plan for the CEO:*

Mr. Ignacio Madridejos participates in a deferred remuneration scheme. This is extraordinary deferred remuneration, which will only be made effective once the relationship with the Company terminates by mutual agreement, upon attainment of a certain age, with no other consolidated rights existing. Fifty per cent of the compensation that the Chief Executive Officer may receive upon termination of his duties shall be subject to compliance with a two-year post-contractual non-competition agreement between the Chief Executive Officer and the Company.

To cover this extraordinary remuneration, the Company will make annual contributions to a group savings insurance policy, of which the Company itself is the policyholder and beneficiary, quantified at 20% of the Chief Executive Officer's total annual remuneration (for

2022, the fixed remuneration plus annual variable remuneration target of 100%).

The right to receive extraordinary remuneration by the Chief Executive Officer shall be incompatible with the collection of any compensation that the Director may be entitled to receive as a result of the termination of his relationship with the Company.

The contributions made for this in 2022 amounted to € 461 thousand, with the total accumulated at the closing date of this report amounting to €1,451 thousand for Mr. Ignacio Madridejos.

In addition, at the date of issue of this Report, no additional remuneration has accrued to the Directors as consideration for services rendered other than those inherent to their position.

### **3.3.4 TERMS AND CONDITIONS OF CONTRACTS, INCLUDING SEVERANCE PAYMENTS AND NON-COMPETE COVENANTS**

The terms and conditions of the Directors' contracts applicable in 2022 are the same as those set out in section 2.3.4. above.

### 3.4. EVOLUTION OF REMUNERATION OF EXECUTIVES

The following tables show the evolution over the last five years of the remuneration of the Executive Directors.

#### Total remuneration accrued (in € thousand)

CHAIRMAN	2022	2021	2020	2019	2018
Fixed remuneration	1,500	1,500	1,405 <sup>1</sup>	1,455	1,455
Variable remuneration	2,609	2,275	1,620	1,608	1,337
Plans linked to shares	883	490	1,602	1,097	1,204
Others <sup>2</sup>	10	9	8	8	8
<b>TOTAL</b>	<b>5,002</b>	<b>4,274</b>	<b>4,635</b>	<b>4,168</b>	<b>4,004</b>

<sup>1</sup>As a result of COVID-19, the Board of Directors agreed to a reduction of the Chairman's fixed remuneration of 20% from 7 April to 31 July 2020.

<sup>2</sup>Life insurance premiums.

CHIEF EXECUTIVE OFFICER	2022	2021	2020	2019 <sup>1</sup>	2018
Fixed remuneration	1,150	1,100	937 <sup>2</sup>	250	-
Variable remuneration	1,538	1,283	810	250	-
Plans linked to shares	183	0	0	0	-
Other	5 <sup>3</sup>	4 <sup>3</sup>	4 <sup>3</sup>	600 <sup>4</sup>	-
<b>TOTAL</b>	<b>2,876</b>	<b>2,387</b>	<b>1,751</b>	<b>1,100</b>	<b>-</b>

<sup>1</sup>Mr. Ignacio Madridejos Fernández was appointed director on 30 September 2019, the remuneration applies from that date.

<sup>2</sup>As a result of COVID-19, the Board of Directors agreed to a reduction of the Chief Executive Officer's fixed remuneration of 20% from 7 April to 31 July 2020.

<sup>3</sup>Life insurance premiums.

<sup>4</sup>Incorporation bonuses.

#### Ratio of compensation of the top executive and the average employee

In 2022, the Chairman's total accrued remuneration amounted to € 4,992 thousand, the average total accrued remuneration amounted to € 45 thousand, and the ratio of these amounts is 112.

Ferrovial has 24,191 employees and is present in 6 main markets (Spain, United States, Canada, United Kingdom, Poland and Latin America) where there are specific remuneration conditions. We determine the total accrued remuneration considering all remuneration elements (fixed compensation, annual variable remuneration and share-linked plans).

### 3.5. REMUNERATION OF THE DIRECTORS IN THEIR CAPACITY AS SUCH

The total remuneration of the Directors in their capacity as such is of a fixed or attendance-based nature and is linked to their level of responsibility and dedication, guaranteeing their independence and long-term commitment.

The maximum total remuneration for 2022 for membership of the Board of Directors of the Company established in the current Remuneration Policy stands at €1,900 thousand.

- Fixed emolument: in 2022 amounted to a total of € 420 thousand.
- Complementary fixed emolument (including also the remaining amount of €185 thousand): in 2022 amounted to a total of € 818 thousand.
- Attendance fees: The Directors receive a fixed sum for attending Board of Directors meetings and for their delegated or advisory Committees.

The amounts received per meeting in 2022 are detailed below:

- For attendance at the Board of Directors: €6,000/meeting.
- For attendance at the Executive Committee: €2,200/meeting.
- For attendance at the Audit and Control Committee: €2,200/meeting.
- For attendance at the Nomination and Remuneration Committee: €1,650 /meeting.

The amount of the attendance fees of the chairmen of these bodies is twice the amounts indicated above.

In total, the amount of attendance fees paid in 2022 reached € 662 thousand.

In accordance with the agreement of the Board of Directors at its meeting of 24 February 2022, given that the total remuneration of the Directors for the year did not reach the maximum annual amount established in the current Remuneration Policy, the difference (amounting to €185 thousand for the entire Board) has been distributed among the Directors as a fixed emolument considering their length of service on the Board during 2022.

Therefore, the total amount paid in 2022 to the Directors for belonging to the Board, in their capacity as such, was €1,900 thousand.

The following table shows the Directors to whom remuneration applies, in their capacity as such, in the 2022 financial year:

Name	Position on the Board	Type of Director	Accrual period financial year t
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	Chairman	Executive	From 1/1/2022 to 31/12/2022
Mr. OSCAR FANJUL MARTÍN	Vice-chairman	Independent	From 1/1/2022 to 31/12/2022
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	CEO	Executive	From 1/1/2022 to 31/12/2022
Ms. MARÍA DEL PINO Y CALVO-SOTELO	Director	Proprietary	From 1/1/2022 to 31/12/2022
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	Director	Other External	From 1/1/2022 to 31/12/2022
Mr. PHILIP BOWMAN	Director	Independent	From 1/1/2022 to 31/12/2022
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	Director	Independent	From 1/1/2022 to 31/12/2022
Mr. BRUNO DI LEO	Director	Independent	From 1/1/2022 to 31/12/2022
Mr. JUAN HOYOS MARTINEZ DE IRUJO	Director	Independent	From 1/1/2022 to 31/12/2022
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Director	Independent	From 1/1/2022 to 31/12/2022
Ms. HILDEGARD WORTMANN	Director	Independent	From 1/1/2022 to 31/12/2022
Ms. ALICIA REYES REVUELTA	Director	Independent	From 1/1/2022 to 31/12/2022

## 4. ALIGNMENT OF REMUNERATION IN THE GROUP WITH THE LONG-TERM AND SUSTAINABLE PERFORMANCE OF THE COMPANY AND THE REDUCTION OF RISKS

The Remuneration Policy is designed taking into account the Company's strategy and the long-term results of the Company:

- a. The total remuneration of the Executive Directors is composed of different remuneration elements consisting mainly of:
  - Fixed elements, the purpose of which is to reward based on the level of responsibility of the position in the organisation, the professional trajectory and market practice, national and international, of comparable companies.
  - Annual variable remuneration whose purpose is to reward the creation of value through the achievement of the financial and non-financial targets considered in the group's strategic plans.
  - Long-term incentives aimed at rewarding the creation of sustainable shareholder value over the long term.
- b. These Long-Term Incentive Plans form part of a multi-annual framework to guarantee that the evaluation process is based on the long-term results and that it takes into account the underlying economic cycle of the Group. This remuneration is granted and paid mainly in the form of shares upon the base of the creation of value, in such a way that the interests of managers are aligned with those of the shareholders. In addition, they are overlapping cycles that as a general rule are linked in time maintaining a permanent focus on the long-term concept in all decisions.

- c. In particular, variable compensation is linked to social, environmental and governance objectives (ESG). For example, and, among others, to employee health and safety ratios, environmental sustainability, diversity, talent management and stakeholder relations.

In addition, Ferrovial has the following tools to ensure that the Remuneration Policy is not exposed to excessive risk and potential conflicts of interest:

- a. The Nomination and Remuneration Committee consists of four members, one of whom is also a member of the Audit and Control Committee. The cross presence in these 2 Committees favours the taking into account of the risks associated with remuneration in the deliberations of the aforementioned Committees and in their proposals to the Board, both in the determination and in the process of evaluating annual and multi-year incentives.
- b. The accrual of variable remuneration only occurs after the date of preparation of the corresponding annual accounts, after it has been possible to determine the degree of achievement of the quantitative targets.
- c. In the case of annual variable remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.
- d. The variable components of the remuneration have sufficient flexibility to allow their modulation to the extent that it could be possible for their value to be nil. Under circumstances where the objectives linked to variable remuneration are not met, the Executive Directors will only draw the fixed remuneration.
- e. There are no guaranteed variable remunerations.
- f. For Executive Directors, the long-term element has a weighting of approximately 35/40% of total remuneration in a maximum performance scenario (fixed remuneration + annual variable remuneration + long-term incentive at grant value).

- g. To reinforce executive directors' commitment to the long-term interests of the Company and alignment with shareholders' interests, the Remuneration Policy includes retention requirements and/or permanent holding of financial instruments.
- h. As explained in section 2.3.3. above, all variable remuneration is subject to a no-claims and clawback clause that allows *the* Company to claim reimbursement of the variable components of the remuneration from the Executive Directors when these have been paid based on data that is subsequently proven to be inaccurate.
- i. Ferrovial has implemented a comprehensive risk management system called Ferrovial Risk Management ("FRM") which includes risks related to potential conflicts of interest. This system, directed at an association of the risks analysed with the objectives which those risks jeopardize, is applied to all the lines of business of the Group, including those investee companies in which management capacity is held. The Corporate Compliance and Risk Department is the unit responsible for coordinating the application and use of the FRM. The operation of the FRM is described in detail in the Annual Corporate Governance Report.

In accordance with Article 38.2 m) of the Company's Bylaws, it is for the Board to determine the Risks Control and Management Policy. The Board has established that Ferrovial's policy in this area is based on the following principles:

- Business ethics.
- Awareness and proportionality of the risk assumed.
- Segregation of duties.
- Assessment of risk.
- Protection of people's health and integrity.
- Distribution of information.
- Integration and coordination.

The remuneratory systems for the Executive Directors described above implicitly include measures of control over excessive risk in their design. On the one hand, the qualitative targets (30% of the annual variable remuneration of the CEO) implicitly include a performance evaluation of the assumption of risks and compliance with the policies established for these purposes. On the other hand, the design of the Long-Term Incentive Plans with cycles of three (3) years each, produces an interrelation of the results of each year, therefore acting as a catalyst for alignment with the long-term interests of the Company and prudent decision making.

## 5. PROCEDURES AND BODIES OF THE COMPANY INVOLVED IN THE REMUNERATION POLICY. MAIN ACTIVITIES CARRIED OUT BY THE NOMINATION AND REMUNERATION COMMITTEE DURING THE 2022 FINANCIAL YEAR

### 5.1. PROCEDURES AND BODIES OF THE COMPANY INVOLVED IN THE REMUNERATION POLICY

The bodies involved in the approval of the Remuneration Policy are the Board of Directors, the Nominations and Remunerations Committee and the General Shareholders' Meeting, the latter being the competent body for its approval, in accordance with article 22.2.d) of the Articles of Association and current legislation.

The Board, with the proposal from the Nominations and Remunerations Committee, considers the following premises in order to establish the remuneration policy:

- i) The applicable legal regulations.
- ii) That established by the Bylaws and the Board Regulations: Article 56 of the Bylaws establishes that the members of the Board of Directors shall receive, in their capacity as such, statutory remuneration, the maximum annual amount of which shall be determined by the General Shareholders' Meeting.

Article 33 of the Regulations of the Board of Directors, with regards to the remuneration for directors, establishes that:

- Any remuneration that is paid to Directors for exercising or terminating their position and for performing their executive duties, will be in line with the Remuneration Policy for Directors that is applicable at all times and with the remuneration system provided for in the Bylaws.
- In any case, the remuneration of Directors should be in due proportion to the importance of the Company, its financial situation at any given time, and the market standards for comparable companies.
- This remuneration shall be sufficient to attract and retain Directors with the desired profile and to reward the dedication, qualifications and responsibility that the post requires, but not so high as to compromise the independence of judgement of the Non-Executive Directors.
- The Board of Directors shall be responsible for the individual determination of the remuneration of each Director in his capacity as such within the framework of the Bylaws and the Directors' Remuneration Policy, subject to a report from the Nomination and Remuneration Committee.
- The Board of Directors shall be responsible for determining the individual remuneration of the Executive Directors within the framework of the Directors' Remuneration Policy

and in accordance with the provisions of their contracts, subject to a report from the Nomination and Remuneration Committee.

In addition to the foregoing, Article 9.3 of the Regulations of the Board of Directors also states that the Board shall prepare an annual report on the remuneration of its Directors, which shall comply with the legal provisions.

iii) The following internal criteria as regards Executive Directors:

- Breakdown of the remuneration as fixed and variable targets.
- Association with the variable part to the achievement of corporate targets.
- Alignment with Ferrovial's interests through:
  - Periodic participation in plans linked to the share price and to certain metrics of profitability.
  - Recognition, in certain cases, of a deferred remuneration concept.
  - No commitments to pensions.
  - Executive Directors will be limited to the remuneration formulas consisting in the awarding of shares, options, instruments referenced to the value of the share or related with the company's performance.

iv) The targets established in the Group's strategic plan, which allow, among other things, to establish the metrics to which the annual and long-term variable remuneration is linked.

v) Market data. See, in this respect, section 2.2.

Likewise, the Nominations and Remunerations Committee, following the good practices and recommendations established in the Technical Guide 1/2019 of the Nominations and Remunerations Committees, uses reports prepared by independent external advisors. In 2022, WTW, Garrigues and Georgeson provided services in relation to various remuneration matters, including benchmarking against national and international comparators, and KPMG assisted as external advisor in the Board's annual self-assessment process.

## **5.2. COMPOSITION AND FUNCTIONS OF THE NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is composed of four members:

Name	Position	Type of Director
Mr Bruno Di Leo	Chairman	Independent
Mr. José Fernando Sánchez-Junco Mans	Member	Other External
Ms. Hanne Sørensen	Member	Independent
Mr. Gonzalo Urquijo	Member	Independent

The following table shows the experience and knowledge of the members of the Nomination and Remuneration Committee:

Name	Experience and knowledge
Mr Bruno Di Leo	Financial Services, Business Administration, Business strategy, Commercial management, New technologies, International experience, Innovation, Digital transformation
Mr. José Fernando Sánchez-Junco	Industrial Engineering, Infrastructures, International experience, Innovation/ new technologies, Finance, Operations, Strategy
Ms. Hanne Sørensen	Economics and Management, International Experience, Finance, Transport, Logistics, Commercial Management, Operations, Strategy, Innovation, Digital Transformation
Mr. Gonzalo Urquijo	Economics and Political Science, Strategy and Business Management, International Experience, Finance, Industrial Production, Logistics

The most important duties of the Nomination and Remuneration Committee include the following:

- Propose the appointment of Independent Directors and report on proposals for the appointment of the rest of the Directors, as well as the Chief Executive Officer of Ferrovial.
- Report on the appointment of the members who must form part of each of the Committees, taking into account the knowledge, skills and experience of the Directors and the duties of each Committee.
- Examine and organize the succession of the Chairman of the Board of Directors and the chief executive of the Company and, where appropriate, make proposals to the Board of Directors so that such succession occurs in an orderly and planned manner.
- Report on the appointment and removal proposals of Senior Managers.
- Propose the basic conditions of the contracts of the Senior Managers.
- Check that the remuneration policy established by the Company is observed.
- Review periodically the remuneration policy applied to the Directors and Senior Managers, including the systems of remuneration by shares and their application, as well as guarantee that their individual remuneration is in due proportion to what is drawn by the remaining Directors and Senior Managers of the Company.
- Verify the information about remuneration of the Directors and Senior Managers contained in the different corporate documents, including the annual report on Directors' remuneration.
- Make proposals to the Board of Directors regarding the remuneration policy for directors and managing directors or those who perform their senior management duties reporting directly to the Board, or to the Executive Committee or the CEOs, as the case may be, as well as the individual remuneration and other contractual conditions of the executive directors, ensuring that they are observed.



Lastly, in those cases where the law so provides, the approval of the mandatory matters is submitted to the General Shareholders' Meeting, including the remuneration plans granted to the Executive Directors consisting of the delivery of shares, share option rights or which are linked to the value of the shares.

### 5.3. MAIN ACTIVITIES CARRIED OUT BY THE NOMINATION AND REMUNERATION COMMITTEE DURING THE 2022 FINANCIAL YEAR

In the 2022 financial year the Nomination and Remuneration Committee met 4 times. The following table shows the individual attendance of its members.

Name	Position	Attendance at meetings
Mr. José Fernando Sánchez-Junco	Member	4/4
Mr Bruno Di Leo	Chairman	4/4
Ms. Hanne Sørensen	Member	3/4 <sup>1</sup>
Mr. Gonzalo Urquijo	Member	4/4

<sup>1</sup> Ms. Hanne Sørensen delegated her representation at the meeting of the Nomination and Remuneration Committee, at which she did not attend.

The following table shows the most relevant actions carried out by the Committee during 2022.

It should be noted that the Company's remuneration policy has been verified throughout the year.

Quarter	Actions carried out
First Quarter 2022	<ul style="list-style-type: none"> <li>Proposed Directors' Remuneration Policy and Annual Report on Directors' Remuneration 2021.</li> <li>Report on the maximum annual amount of Directors' remuneration in their capacity as such for the 2022 financial year established in the Remuneration Policy approved at the 2022 General Meeting, and the system for distributing this amount among the Directors.</li> <li>Report on the fixed remuneration for the 2022 financial year for the Executive Directors, and review of the fixed remuneration of the Management Committee for said financial year. To this end, the information used by the General Human Resources Department to establish fixed remuneration bands that are appropriate to the position and functions performed, as well as to its competitive position in the market, has been reviewed.</li> <li>Report on the proposal for variable annual remuneration for 2021 payable in 2022 to the Executive Directors and review of that of the Management Committee.</li> <li>In relation to the variable remuneration of the Executive Directors, the following has been reviewed: (i) the amount of the variable remuneration, expressed as a percentage of the fixed remuneration, (ii) the compliance criteria to which the assessment of the variable remuneration is linked and (iii) the quantitative and qualitative targets to which it is linked.</li> <li>Report on the allocation of units of the third grant of the 2020-2022 Long-Term Incentive Plan to the Executive Directors and review of the allocation of units to the members of the Management Committee.</li> <li>Evaluation of compliance with the metrics to which the single grant of the 2019 Long-Term Incentive Plan is linked and proposal of the aggregate pay-out ratio to determine the number of shares to be delivered.</li> <li>Report on the closing of remuneration of the Directors in their capacity as such corresponding to the 2021 financial year.</li> <li>Report on nominations to Boards of Directors in Ferrovial Group companies.</li> <li>Report on the competencies required by the Board of Directors.</li> <li>Analysis on the composition of the Board of Directors and its Committees.</li> <li>Report on flexibility and teleworking.</li> </ul>
Second Quarter 2022	<ul style="list-style-type: none"> <li>Involvement in the annual assessment of the Board and its Committees carried out with an external adviser (KPMG), including, among other things, general issues, the dynamics of how it functions and its responsibilities.</li> <li>Report on nominations to Board of Directors in Ferrovial Group companies.</li> <li>Report on diversity.</li> <li>Information on the evolution of proxy advisors' voting recommendations in relation to the Directors' Remuneration Policy and the Annual Remuneration Report, and on the outcome of the vote on these two documents at the General Shareholders' Meeting.</li> <li>Market practice analysis on long-term incentive plans.</li> </ul>
Third Quarter 2022	<ul style="list-style-type: none"> <li>Report on nominations to Boards of Directors in Ferrovial Group companies.</li> <li>Verification of the Policy for the Composition of the Board.</li> <li>Report on the management of the Group's employee commitment.</li> <li>Analysis of the long-term incentive plan for Executive Directors and Directors of the Ferrovial Group for the period 2023-2025.</li> </ul>

Fourth  
Quarter  
2022

- Annual review of the dedication of the Non-Executive Directors: other professional obligations.
  - Report on nominations to Boards of Directors in Ferrovial Group companies.
  - Report on the succession plan for the Chairman, Chief Executive Officer, senior management and other management positions.
  - Report on talent management.
  - Proposed Long-Term Incentive Plan for Executive Directors and Directors of the Ferrovial Group for the period 2023-2025.
- 

In 2023, up to the date of approval of this report, the same activities have been carried out as in 2022, review and proposal of the remuneration plans for the Executive Directors to be submitted to vote at the 2023 General Shareholders' Meeting.

#### **5.4. OTHER INFORMATION OF INTEREST**

Table C.1.a.i) of the Statistical annex includes the amount of the Fixed Complementary Allowance in the field "Other items" (also includes the remaining amount indicated in Section 3.5 above).

Ferrovial has taken out civil liability insurance for the directors and executives of the Group companies of which Ferrovial is the parent company. Among these insured persons are the Directors. The premium paid in 2022 for the aforementioned insurance amounts to € 1,097 thousand.

The small differences which may arise with respect to the data included in note 6.6 of the management report are due to rounding by the computer program Cifradoc and are not significant.



STATISTICAL ANNEX TO THE ANNUAL REPORT  
ON DIRECTORS' REMUNERATION FOR  
LISTED COMPANIES

**B** OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE FINANCIAL YEAR NOW CLOSED

B.4 Report on the result of the consultative vote by the General Shareholders' Meeting on the Annual Report on Remuneration for the preceding financial year, indicating the number of abstentions, negative, blank and in favour votes cast, if applicable:

	Number	% on the total
Votes cast	532,355,281	72.57%

	Number	% overcast
Votes against	22,791,490	4.28%
Votes in favour	507,049,091	95.25%
Votes in blank	386	0.00%
Abstentions	2,514,314	0.47%

**C** LIST OF INDIVIDUAL REMUNERATIONS FOR EACH DIRECTOR

Name	Type	Period of accrual financial year 2022
Mr RAFAEL DEL PINO Y CALVO-SOTELO	Executive Chairman	From 1/1/2022 to 31/12/2022
Mr. OSCAR FANJUL MARTÍN	Independent Vice-Chairman	From 1/1/2022 to 31/12/2022
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	CEO	From 1/1/2022 to 31/12/2022
Ms. MARÍA DEL PINO Y CALVO-SOTELO	Proprietary Director	From 1/1/2022 to 31/12/2022
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	Other External Director	From 1/1/2022 to 31/12/2022
Mr. PHILIP BOWMAN	Independent Director	From 1/1/2022 to 31/12/2022
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	Independent Director	From 1/1/2022 to 31/12/2022
Mr. BRUNO DI LEO	Independent Director	From 1/1/2022 to 31/12/2022
Mr. JUAN HOYOS MARTINEZ DE IRUJO	Independent Director	From 1/1/2022 to 31/12/2022
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Independent Director	From 1/1/2022 to 31/12/2022
Ms. HILDEGARD WORTMANN	Independent Director	From 1/1/2022 to 31/12/2022
Ms. ALICIA REYES REVUELTA	Independent Director	From 1/1/2022 to 31/12/2022

C.1 Complete the following tables with regard to the individual remuneration of each of the Directors (including the remuneration for the exercise of their executive duties) accrued during the financial year.

a) Remunerations of the Company which is the object of this report:

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board Committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2022 financial year	Total 2021 financial year
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	35	103		1,500	2,609			107	4,354	4,024
Mr. OSCAR FANJUL MARTÍN	35	73						96	204	199
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	35	51		1,150	1,538			61	2,835	2,525
Ms. MARÍA DEL PINO Y CALVO-SOTELO	35	51						61	147	142
Mr. JOSÉ FERNANDO SÁNCHEZ - JUNCO MANS	35	58						61	154	157
Mr. PHILIP BOWMAN	35	47						61	143	140
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	35	41						61	137	131
Mr. BRUNO DI LEO	35	49						61	145	139
Mr. JUAN HOYOS MARTINEZ DE IRUJO	35	51						61	147	142
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	35	54						61	150	140
Ms. HILDEGARD WORTMANN	35	36						61	132	89
Ms. ALICIA REYES REVUELTA	35	47						61	143	89

ii) Table of movements in share-based remuneration systems and gross profit on consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2022 financial year		Financial instruments granted during financial year 2022		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of the 2022 financial year	
		No. of instruments	No. of Equivalent shares	No. of instruments	No. of Equivalent shares	No. of instruments	No. of equivalent/ consolidated shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (€ thousand)	No. of instruments	No. of instruments	No. of Equivalent shares
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	2019 Performance Shares Plan	--	70,000	--	--	--	35,000	25.24	883	35,000	--	--
	2020 Performance Shares Plan	--	46,500	--	--	--	--	--	--	--	--	46,500
	2021 Performance Shares Plan	--	67,500	--	--	--	--	--	--	--	--	67,500
	2022 Performance Shares Plan	--	--	--	56,400	--	--	--	--	--	--	56,400

Name	Name of the Plan	Financial instruments at the beginning of 2022 financial year		Financial instruments granted during financial year 2022		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of the 2022 financial year	
		No. of instruments	No. of Equivalent shares	No. of instruments	No. of Equivalent shares	No. of instruments	No. of equivalent/ consolidated shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (€ thousand)	No. of instruments	No. of instruments	No. of Equivalent shares
Mr. IGNACIO MADRIDE-JOS FERNÁNDEZ	2019 Performance Shares Plan	--	14,468	--	--	--	7,234	25.24	183	7,234	--	--
	2020 Performance Shares Plan	--	46,500	--	--	--	--	--	--	--	--	46,500
	2021 Performance Shares Plan	--	67,500	--	--	--	--	--	--	--	--	67,500
	2022 Performance Shares Plan	--	--	--	56,400	--	--	--	--	--	--	56,400

iii) Long-term savings systems

Name	Remuneration for consolidation of rights to savings systems (€ thousand)
No data	

Name	Contribution during financial year by Company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Systems with consolidated economic rights		Systems with unconsolidated economic rights	
	2022 Financial year	2021 Financial year	2022 Financial year	2021 Financial year	2022 Financial year	2021 Financial year	2022 Financial year	2021 Financial year
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ			461	441			1,451	957

iv) Breakdown of other items

Name	Item	Remuneration amount
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	Life insurance premium	10
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	Life insurance premium	5
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	Allocation vehicle leasing	8

b) Remunerations to the directors of the Company for their membership of boards in other companies of the Group:

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board Committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2022 financial year	Total 2021 financial year
No data										

ii) Table of movements in share-based remuneration systems and gross profit on consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2022 financial year		Financial instruments granted during financial year 2022		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of the 2022 financial year	
		No. of instruments	No. of Equivalent shares	No. of instruments	No. of Equivalent shares	No. of instruments	No. of equivalent/ consolidated shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (€ thousand)	No. of instruments	No. of instruments	No. of Equivalent shares
No data												

iii) Long-term savings systems

Name	Remuneration for consolidation of rights to savings systems
No data	

Name	Contribution during financial year by Company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2022 Financial year	2021 Financial year	2022 Financial year	2021 Financial year	2022 Financial year	2021 Financial year	2022 Financial year	2021 Financial year
Mr. RAFAEL DEL PINO Y CALVO-SOTELO								
Mr. OSCAR FANJUL MARTÍN								
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ								
Ms. MARÍA DEL PINO Y CALVO-SOTELO								
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS								
Mr. PHILIP BOWMAN								
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN								
Mr. BRUNO DI LEO								
Mr. JUAN HOYOS MARTINEZ DE IRUJO								



Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ								
Ms. HILDEGARD WORTMANN								
Ms. ALICIA REYES REVUELTA								

**iv) Breakdown of other items**

Name	Item	Remuneration amount
No data		

**c) Summary of remuneration (€ thousand):**

The summary should include the amounts corresponding to all the remuneratory items included in this report accrued by the Director, in € thousand.

Name	Remuneration accrued in the Company					Remuneration accrued in companies of the Group					Total 2022 financial year Company + group
	Total Remuneration in cash	Gross profit from consolidated shares or financial instruments	Remun. for savings systems	Remun. for other items	Total 2022 financial year Company	Total Remuneration in cash	Gross profit from consolidated shares or financial instruments	Remun. for savings systems	Remun. for other items	Total 2022 financial year	
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	4,354	883			5,237						5,237
Mr. OSCAR FANJUL MARTÍN	204				204						204
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	2,835	183			3,018						3,018
Ms. MARÍA DEL PINO Y CALVO-SOTELO	147				147						147
Mr. JOSÉ FERNANDO SÁNCHEZ - JUNCO MANS	154				154						154
Mr. PHILIP BOWMAN	143				143						143
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	137				137						137
Mr. BRUNO DI LEO	145				145						145
Mr. JUAN HOYOS MARTINEZ DE IRUJO	147				147						147
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	150				150						150
Ms. HILDEGARD WORTMANN	132				132						132
Ms. ALICIA REYES REVUELTA	143				143						143
<b>TOTAL:</b>	<b>8,691</b>	<b>1,066</b>			<b>9,757</b>						<b>9,757</b>

C.2. Indicate the evolution over the last 5 years of the amount and percentage variation of the remuneration accrued by each of the listed company's directors who have been directors during the financial year, of the consolidated results of the company and of the average remuneration on a full-time equivalent basis of the employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and annual % change								
	2022 Financial year	% variation 2022/2021	2021 Financial year	% variation 2021/2020	2020 Financial year	% variation 2020/2019	2019 Financial year	% variation 2019/2018	2018 Financial year
<b>Executive Directors (€ thousand)</b>									
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	5,237	16.02	4,514	-7.27	4,868	10.34	4,412	4.50	4,222
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	3,018	19.52	2,525	34.02	1,884	66.43	1,132	-	0
<b>External Directors (€ thousand)</b>									
Mr. OSCAR FANJUL MARTÍN	204	2.51	199	6.99	186	22.37	152	6.29	143
Ms. MARÍA DEL PINO Y CALVO-SOTELO	147	3.52	142	3.65	137	-4.86	144	4.35	138
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	154	-1.91	157	0	157	-2.48	161	2.55	157
Mr. PHILIP BOWMAN	143	2.14	140	3.70	135	3.05	131	-5.07	138
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	137	4.58	131	-0.76	132	1.54	130	-5.80	138
Mr. BRUNO DI LEO	145	4.32	139	3.73	134	6.35	126	240.54	37
Mr. JUAN HOYOS MARTINEZ DE IRUJO	147	3.52	142	3.65	137	356.67	30	-	0
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	150	7.14	140	3.70	135	n.s.	2	-	0
Ms. HILDEGARD WORTMANN	132	48.31	89	-	0	-	0	-	0
Ms. ALICIA REYES REVUELTA	143	60.67	89	-	0	-	0	-	0
<b>Consolidated results of the Company ( e million)</b>	268	-72.26	966	-	-427	-	504	4.78	481
<b>Average remuneration of employees (€ thousand)</b>	44	46.67	30	-6.25	32	-8.57	35	-10.26	39

### Remarks:

Note on the remuneration of Mr. BRUNO DI LEO from 2018 to 2019: the indicated figure shows the variation between the remuneration actually accrued in 2018 and in 2019. These figures are not comparable given that the Director was appointed on 25 September 2018 and therefore the remuneration relates to the period from 25 September to 31 December 2018. In 2019, he was a member of the Board for the full financial year.

Note on the remuneration of Mr. JUAN HOYOS MARTINEZ DE IRUJO from 2019 to 2020: the indicated figure shows the variation between the remuneration actually accrued in 2019 and in 2020. These figures are not comparable given that the Director was appointed on 2 October 2019 and therefore the remuneration relates to the period from 2 October to 31 December 2019. In 2020, he was a member of the Board for the entire fiscal year.

Note on the remuneration of Mr. IGNACIO MADRIDEJOS FERNÁNDEZ between 2019 and 2020: the indicated figure shows the variation between the remuneration actually accrued in 2019 and in 2020. These figures are not comparable given that the Director was appointed on 30 September 2019 and therefore the remuneration relates to the period from 30 September to 31 December 2019. In 2020, he was a member of the Board for the full financial year.

Note on the remuneration of Ms. HILDEGARD WORTMANN between 2021 and 2022: the indicated figure shows the variation between the remuneration actually accrued in 2021 and in 2022. These figures are not comparable given that the Director was appointed on 6 May 2021 and therefore the remuneration relates to the period from 6 May to 31 December 2021. In 2022, she was a member of the Board for the full financial year.

Note on the remuneration of Ms. ALICIA REYES REVUELTA between 2021 and 2022: the indicated figure shows the variation between the remuneration actually accrued in 2021 and in 2022. These figures are not comparable given that the Director was appointed on 6 May 2021 and therefore the remuneration relates to the period from 6 May to 31 December 2021. In 2022, she was a member of the Board for the full financial year.

Note on the remuneration of Mr. RAFAEL DEL PINO Y CALVO-SOTELO: the variations in the Chairman's accrued remuneration have been derived from the different fulfilment of the metrics of the remuneration at risk of the Chairman both in the short and long term.

Note on CONSOLIDATED RESULTS OF THE COMPANY: CONSOLIDATED PROFIT BEFORE TAXES" data provided in the Integrated Annual Reports.

Note on AVERAGE EMPLOYEE REMUNERATION: data from "SALARY AND WAGE ACCOUNT" between "AVERAGE STAFF", excluding Executive Directors in both data. The increase in the period 2021 to 2022 is due to the sale of the major part of the Services division.

**D** OTHER INFORMATION OF INTEREST

This annual remuneration report was approved by the Board of Directors of the Company at its meeting held on 28 February 2023.

Indicate whether there are Directors who may have voted against or abstained, in relation to the approval of this report.

Yes

No

Name or corporate name of the members of the board of directors who have not voted in favour of the approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons