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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

Príncipe de Vergara, 135 Madrid

# 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 annual report on the directors' remuneration 2020 (ARDR), which includes information on the directors' remuneration policy applicable to the current financial year and a summary of the application of the remuneration policy and individual details of the remuneration received by the Directors during the financial year ended.

## Our commitment to Good Governance

Firstly, I would like to highlight Ferrovial's firm commitment to a corporate governance model in line with international best practices. For this reason, Ferrovial's Board of Directors focuses its efforts each year on developing and making improvements in order to align itself with the highest market standards in remuneration.

In recent years, corporate governance has acquired great relevance and we have seen how Spain has made continuous efforts to remain at the forefront. Among the measures carried out by the market supervisor, the Spanish Securities Market Commission (CNMV), we should mention the publication of the Technical Guide 1/2019 for Nomination and Remuneration Committees, with the aim of guiding companies by indicating some basic principles of action and recommendations of good practices for the proper functioning of these Committees. Based on the recommendations of the Guide, Ferrovial's Nomination and Remuneration Committee reviews the remuneration policy annually to ensure that the remuneration system for directors is aligned with the company's situation and strategy in the short, medium and long term and with market conditions, and that it contributes to the creation of long-term value.

2020 has been marked by several milestones in the framework of good governance, such as the publication of the Draft Law to encourage long-term shareholder involvement in listed companies, with the aim of improving the corporate governance of listed companies in Spain. Likewise, the partial review of the Good Governance Code of listed companies carried out last June and subsequent publication of Circular 1/2020, of 6 October, of the Spanish Securities Market Commission, which modifies the models of the annual corporate governance report and the annual report on directors' remuneration.

## New ARDR format

Pursuant to CNMV Circular 2/2018, Ferrovial's Nomination and Remuneration Committee has decided to establish a free format of the ARDR in order to provide all our shareholders and other stakeholders with a clearer document, which facilitates understanding Ferrovial's Board of Directors' remuneration model to ensure the long-term sustainability of results, while promoting the engagement, attraction and retention of the talent of our professionals.

## Impact of COVID-19

We cannot forget that the 2020 financial year has been marked by the COVID-19 health crisis, which has forced governments, companies and citizens to come together to react quickly and responsibly to provide a response. From the first signs of alarm, Ferrovial acted with immediacy and solvency, not only to protect its employees and customers, but also to put its capabilities and resources at the service of the health authorities and the affected population. Given the nature of the company, Ferrovial has been able to collaborate in different areas, through its infrastructures, ensuring mobility through its airports and toll roads, offering its human resources or carrying out solidarity initiatives based on innovation, among other actions.

In addition to offering its human resources and technical capabilities, Ferrovial has also committed to the recovery from this crisis from an economic point of view, through its "Ferrovial Juntos COVID-19" fund, having donated €8.7 million in medical equipment, support for vaccine research projects and food and social aid to underprivileged populations in the different markets in which it operates.

At operational level, the COVID-19 pandemic began to affect Ferrovial's activities in the latter part of March and has continued with varying levels of incidence since then, depending on mobility restrictions and quarantines. Since the onset of the crisis, Ferrovial has taken all available actions to strengthen its liquidity and ensure business continuity. Among others, several measures have been adopted to reduce opex and review of the capex. As a result, the company has a sound financial position thanks to a record level of liquidity.

## Summary of the main actions carried out in 2020 and 2021 (up to the date this report was approved)

Among the actions carried out by the Nomination and Remuneration Committee in the 2020 financial year, in the area of remuneration, the following should be highlighted:

- The entry into force of the new Directors' remuneration policy, approved at the Ordinary General Shareholders' Meeting held on 17 April 2020.
- The implementation of a Gap Analysis in remuneration matters, with external advice, in order to identify areas for improvement in this area with a view to defining the new remuneration policy and improving the level of disclosure of the ARDR. As a result of this analysis, a new remuneration policy will be proposed for approval at the 2021 Annual General Shareholders' Meeting, which will enter into force and will void the Policy currently in force from the date of its approval.
- As a result of COVID-19, the Board of Directors agreed to a reduction of 20%, from 7 April until 31 July 2020, of both the fixed remuneration of the Executive Chairman and Chief Executive Officer for the performance of their executive duties, and of the fixed and supplementary allowance provided for in the remuneration system for all Directors in their capacity as such.
- The settlement in March 2020 of the 2017 allocation under the 2016-2018 Long-Term Incentive Plan, the level of payment of which amounted to 89.13% of the maximum incentive.
- After carrying out the appropriate analyses in the face of the COVID-19 crisis, the Long Term Incentive Plan 2020-2022 was finally launched.
- The settlement in the first quarter of 2021 of the annual variable remuneration corresponding to the results of the 2020 financial year, whose payment level for the Chairman amounts to a

86.4% of the *target* (56.8% of the maximum and 108% of the fixed remuneration) and for the Chief Financial Officer it amounts to a 81% of the *target* (54% of the maximum and 81% of the fixed remuneration). In assessing this remuneration, the Committee has considered both the results of the targets predetermined at the beginning of the financial year, and a holistic view of the results achieved in 2020 and the management of COVID-19.

This process is detailed in section 3 "Implementation of the Directors' remuneration policy in 2020".

- The variable remuneration schemes have been reviewed to verify their alignment with the strategic needs of the company.

Details of all activities carried out by the Nomination and Remuneration Committee in 2020 are included in section 5.3. Shareholders also have at their disposal the report on the functioning of the Committee in 2020 on the Company's website, which takes into account the aforementioned CNMV Technical Guide 1/2019.

### People and diversity

In addition, we should highlight the Ferrovial Group's firm commitment to promoting gender equality and diversity within the company. Within the "HORIZON 2024" Plan, it has been established that the gender pay gap should be analysed together with designing local action plans. The data on Ferrovial's gender pay gap are detailed in the Integrated Annual Report.

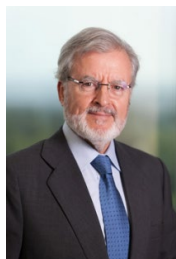
Ferrovial is also committed to providing relevant information to stakeholders, such as the disclosure of the remuneration ratio for the chief executive and the average employee.

### 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.

I am confident that this new edition of the annual remuneration report, which for the first time follows a free format, will help to explain our remuneration model for the Board of Directors in a clearer, simpler and more transparent way. I have to inform you that this report will be submitted to an advisory vote, separately, at the 2021 Annual General Shareholders' Meeting.

Signed: José Fernando Sánchez-Junco Mans



## 2. DIRECTORS' REMUNERATION POLICY IN 2021

### 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 17 April 2020, and which is applicable for the financial years 2020 to 2022.

The directors' remuneration policy can be accessed at the following link: <https://static.ferrovial.com/wp-content/uploads/2020/03/13125452/17politica-remuneracion-de-consejeros-2020-eng.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
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 shares 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 remuneration and the variable (annual and long-term), 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 poor pay 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 options on shares in the Company	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
External consultancy	
Holding of shares with a value of 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	
<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 objectives, 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.

In relation with 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 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.

### 2.3. REMUNERATION OF EXECUTIVE DIRECTORS - SUMMARY

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.

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 has also been analysed, excluding IBEX35 companies. In this group, Ferrovial is around the 75th percentile in terms of size and between the median and the 75th percentile in terms of remuneration.

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

CHAIRMAN*	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term incentive plans
<b>Amounts</b>	€ 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
<b>Targets</b>	N/A	80% Quantitative: <ul style="list-style-type: none"> <li>• Net result (55%)</li> <li>• Cash Flow (45%)</li> </ul> 20% Qualitative and <i>ESG</i>	2019 Plan: <ul style="list-style-type: none"> <li>• 50% Consolidated Operating Profit on Net Productive Assets</li> <li>• 50% Relative Total Shareholder Return (TSR)</li> </ul> 2020-2022 Plan (2020 grant): <ul style="list-style-type: none"> <li>• 50% Activity cash flow</li> <li>• 50% Relative TSR</li> </ul>
<b>Design</b>	N/A	100% in cash <i>Malus</i> and clawback clauses Discretion of the Board in exceptional circumstances	100% in shares 3 years of target measurement <i>Malus</i> and clawback clauses

CHIEF EXECUTIVE OFFICER*	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term incentive plans
<b>Amounts</b>	€1,100,000	<b>Target:</b> 100% of the FR <b>Maximum:</b> 150% of the FR	<b>Maximum</b> (annualised): 150% of the FR
<b>Objectives</b>	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	2019 Plan: <ul style="list-style-type: none"> <li>• 50% Consolidated Operating Profit on Net Productive Assets</li> <li>• 50% Relative Total Shareholder Return (TSR)</li> </ul> 2020-2022 Plan (2020 grant): <ul style="list-style-type: none"> <li>• 50% Activity cash flow</li> <li>• 50% Relative TSR</li> </ul>
<b>Design</b>	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

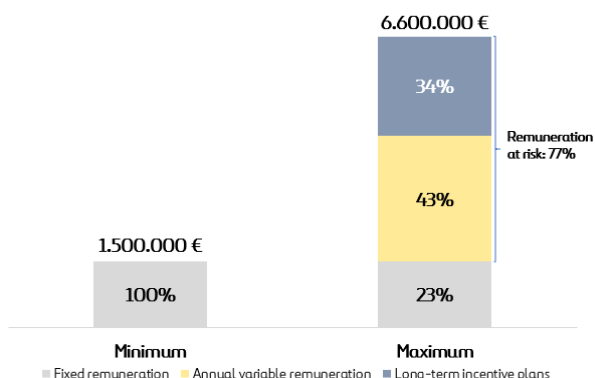
\* Executive Directors may allocate part of their annual gross fixed remuneration to obtain some of the products or services offered by the company within the flexible remuneration plan, such as life insurance, accident insurance, health insurance and company cars. In addition, the company has taken out life insurance policies to cover the risk of death and incapacity 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 Chairman's fixed remuneration remains unchanged in 2021, however, to establish the fixed remuneration of the Chief Executive Officer for fiscal year 2021, the Nomination and Remuneration Committee has considered the following issues:

- The Group's challenges. In particular, the measures taken with the purpose of mitigating the impact on the income statement and preserving liquidity levels have been evaluated, which have allowed generating a record level of liquidity and positioning Ferrovial for the financial year 2021 on the path of the recovery.
- The value of the contribution of the position and the person, both for the company and for the shareholders: the Nomination and Remuneration Committee annually conducts an evaluation of the personal performance of each executive director. Since the appointment of the Chief Executive Officer in 2019, the consolidation of the person in the position and the criticality of his contribution to achieving the results. In this sense, it has been considered that the fixed remuneration has remained unchanged since his appointment (1,000 thousand euros) and that said amount was significantly lower compared to previous CEO (1,200 thousand euros).

**Chairman**



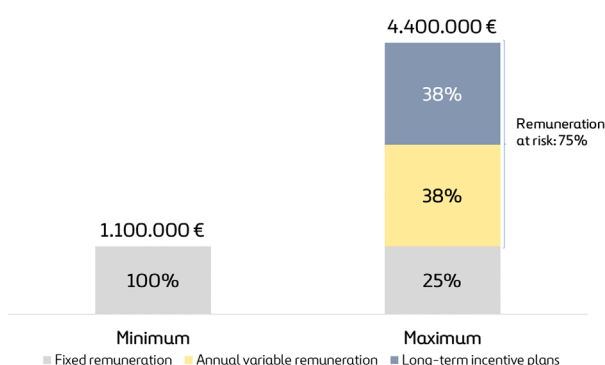
- The data and remuneration practices of comparable companies, in accordance with the benchmarkings that are periodically carried out with the support of an external advisor.

With respect to the remuneration mix, Ferrovial's remuneration policy establishes an appropriate balance between the fixed and variable components of the remuneration. In this regard, the weight of remuneration at risk for Executive Directors accounts represents, at least, 75% of total remuneration for a maximum scenario that contemplates a granting of the maximum long-term incentive and overcompliance with the objectives.

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

- The maximum value assumes the maximum LTI would be accrued: 150% of the RF.
- The initial price at the grant date is assumed. Potential revaluation of the share during the target measurement period is not taken into account.

**CEO**



### 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:

<b>Fixed remuneration</b>	<b>Operations</b>
To reward upon the basis of level of responsibility and professional background	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.
	<b>Amount</b>
	<ul style="list-style-type: none"> <li>Chairman: €1,500,000.</li> <li>Chief Executive Officer: €1,100,000.</li> </ul>

<b>Remuneration in kind</b>	<b>Operations</b>
To offer a competitive compensation package	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.
	Executive Directors may allocate part of their annual gross fixed remuneration to obtaining some of the products or services offered by the company under the flexible remuneration plan.
	<b>Maximum amount</b>
	<ul style="list-style-type: none"> <li>Chairman: € 50,000.</li> <li>CEO: € 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 Madridejos, 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 2021, at 20% of the Total Annual Remuneration (fixed remuneration plus target annual variable remuneration of 100%) of the CEO.

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

The 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

	<i>Target</i>	<i>Maximum</i>
Chairman	125% of fixed remuneration	190% of fixed remuneration
CEO	100% of fixed remuneration	150% of fixed remuneration

### Objectives

The Annual Variable Remuneration is linked to individual performance and to the achievement of specific, predetermined, quantifiable economic-financial, industrial and operational targets, which are quantifiable and aligned with the corporate interest, as envisaged in the Company's strategic plans, all without prejudice to the possibility of considering other targets, in particular, in matters of corporate governance and corporate social responsibility, and which may be of quantitative or qualitative nature.

Specifically, for the 2021 financial year, the targets established are as follows:

	QUANTITATIVE TARGETS		QUALITATIVE TARGETS AND ESG	
	Weight	Metrics	Weight	Metrics
Chairman	80%	55% • Net Result 45% • Cash flow	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%	55% • Net Result 45% • Cash flow	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-Sustainability.</li> <li>- Development of professional teams that guarantees 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 Incentive Plan

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

### Operations

The 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 2019 Plan, approved by shareholders at the Annual General Shareholders' Meeting on 5 April 2019, consists of a one-off allocation of units in 2019. The shares will be delivered, if applicable, in the year in which the third anniversary of the allocation of the corresponding units occurs (i.e. the year 2022).

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 2021 the first grant (2020-2022) and the second (2021-2023) are in force.

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.

### Objectives

		% Metrics	Scale of Achievement		
			Degree of achievement		% Pay out
2016-2018 Plan	Grant 2018	70% Gross Operating Profit on Net Productive Assets	Maximum	≥ 10.5%	70%
			Minimum	< 9%	0%
		30% Relative TSR	Maximum	Position 1 to 5	30%
			Minimum	< Median	0%
2019 Plan	One-time grant	50% Operating Profit on Net Productive Assets	Maximum	≥ 9%	50%
			Minimum	≤ 8%	0%
		50% Relative TSR	Maximum	Position 1 to 5	50%
			Minimum	Position 10 to 18	0%
2020-2022 Plan	2020 Grant	50% Activity cash flow	Maximum	≥ €977 million	50%
			Minimum	≤ €663 million	0%
	50% Relative TSR	Maximum	Position 1 to 3	50%	
		Minimum	Position 10 to 18	0%	
2021 Grant	50% Activity cash flow	Maximum	≥ €1,932 million	50%	
		Minimum	≤ €1,126 million	0%	
	50% Relative TSR	Maximum	Position 1 to 3	50%	
		Minimum	Position 10 to 18	0%	

In this regard:

- The Company's consolidated operating gross profit: gross operating profit, adding to it the gross operating profit of the companies accounted for using the equity method in the process of preparing the consolidated financial statements, in proportion to the percentage interest held in them.

- Consolidated operating profit of the Company: operating profit, adding to it the operating profit of the companies accounted for using the equity method in the process of preparing the consolidated financial statements, in proportion to the percentage interest held in them.
- Net Productive Assets: the total amount of the assets appearing on the Company's consolidated balance sheet, excluding assets that can be allocated to projects in the construction phase that are not remunerated. The value corresponding to the proportionate share of the net productive assets of companies integrated by the equity method shall be added to the profit, except in any case the share for the revaluation of companies arising from divestment processes with loss of control.
- 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.
- Relative TSR: Total Shareholder Return (TSR) compared to the following groups of companies:
  - 2016-2018 Plan - Third grant: ACS, OHL, FCC, Atlantia, AdP, Fraport, Serco, Mitie, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.
  - 2019 Plan: ACS, Downer, Granite, Atlantia, AdP, Fraport, Serco, Mitie, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.
  - 2020-2022 Plan - First and Second grant: ACS, CCR, Granite, Atlantia, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.

### **2.3.2 SHARE HOLDING POLICY**

Once the shares or options or rights over shares corresponding to the remuneration systems have been attributed, the Executive Directors must hold (directly or indirectly) a number of shares in the Company equivalent in value to at least twice their gross fixed remuneration. Nor may they exercise the share options or rights until at least three years have elapsed since they were granted. The above condition will not apply to any shares that the Director must dispose of, where applicable, to defray costs related to their acquisition.

It is planned to submit to the next General Shareholders' Meeting in 2021 the approval of the following revised wording on the holding of shares (in order to incorporate the new wording of recommendation 62 of the code of good governance for listed companies into the Directors' remuneration policy):

Once the shares or options or rights over shares corresponding to the remuneration systems have been attributed, 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 economic 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, or the recovery of variable components of remuneration where such components have been paid on the basis of data which has subsequently been clearly shown to be incorrect, and, where appropriate, the measures provided for to avoid conflicts of interest, it is important to emphasise:

- (i) The Nomination and Remuneration Committee is empowered to propose, to the Board of Directors, the cancellation of the payment of the variable remuneration in circumstances of this kind.
- (ii) 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.
- (iii) The contractual agreements of the Executive Directors include a clause which enables the Company to claim reimbursement of variable components of the remuneration if these were paid upon the basis of data whose inaccuracy has been subsequently accredited.

It is planned to submit to the next General Shareholders' Meeting the approval of the following wording in relation to the formulas or clauses for the reduction of remuneration (*malus*), or 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 the Executive Directors to return up to one hundred per cent of the net variable monetary remuneration 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 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 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 CEO as director by the General Shareholders' Meeting; or (ii) revoking in whole or in part, as the case may be, of the powers delegated to him by the Board of Directors or of the powers granted to him 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 at the General Shareholders' Meeting of 17 April 2020, the total maximum amount for 2021 as remuneration for membership of the Company's Board of Directors amounts to €1,847,798.15, the same amount from 2019. The remuneration consists of the following remuneration elements:

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 double 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 modified 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, as a consequence of a number of meetings greater than that initially envisaged, or for some other reason, the amount of the attendance fees, added to that of the fixed components were greater than the total maximum remuneration fixed for membership of the Board for the year in course, the difference shall be deducted from the amount of the complementary fixed

emolument, proportionally for each Director, depending on their standing.

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

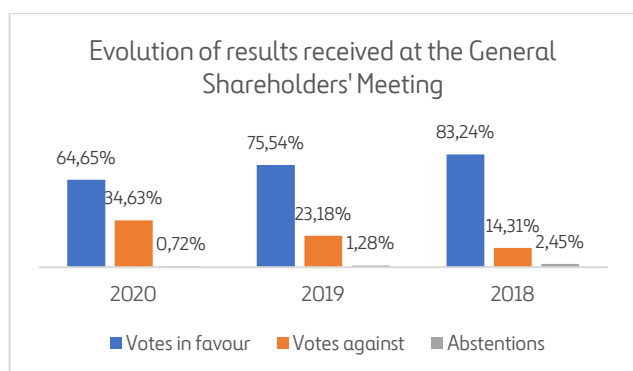
### 3. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2020

#### 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 in respect of the 2019 financial year.

	NUMBER	% ON THE TOTAL
Votes cast	515,925,092	70.17%
	NUMBER	% ON CAST
Votes against	178,669,152	34.63%
Votes in favour	333,532,973	64.65%
Abstentions	3,720,449	0.72%
Blank Votes	2,518	0%

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:



In 2019 and 2020, there was a decrease in the number of votes in favour compared to previous years; therefore, the Nomination and Remuneration Committee, in response to requests from shareholders and other stakeholders of the company, has carried out several actions throughout the year to improve the remuneration model, as well as the level of transparency in the explanations given. Section 5 describes all the measures carried out during the 2020 financial year.

#### 3.2. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2020

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

Ferrovial has applied the remuneration policy in force during the year ended, designed taking into account the established strategy and the long-term results of the Company, as well as establishing an appropriate balance between the fixed and variable components of the remuneration of Executive Directors.

#### 3.3. COMPANY RESULTS IN 2020

The payment of variable remuneration to Executive Directors is linked to the company's results. Some of the most relevant results obtained in 2020 are highlighted below:

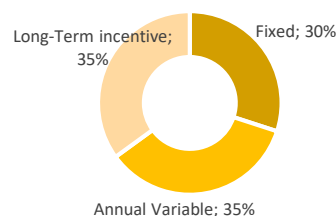
- Ferrovial has continued to increase its liquidity to record levels (€ 7,964 million) and its ex-infrastructure net cash position (€1,991 million).
- Various initiatives have been implemented to generate operational efficiencies: opex reduction and review of capital expenditure plans (capex).
- Total Shareholder Return of the last three years amounted to 28%.

#### 3.4. REMUNERATION OF EXECUTIVE DIRECTORS ACCRUED IN 2020

During the financial year 2020 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 modified during the year.

Section 2.3. details the elements of remuneration that make up the remuneration of Executive Directors. 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 2020 for the Chairman.

Composition of the Chairman's remuneration



The remuneration earned, both fixed and variable, complies with the provisions of the Directors' remuneration policy in force, and the limits established therein have not been exceeded. Below is a description of each of the components of Executive Directors' remuneration.

### 3.4.1 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.

As a result of COVID-19, the Board of Directors agreed to a reduction of 20%, from 7 April until 31 July 2020, of both the fixed remuneration of the Chairman and Chief Executive Officer, as well as their fixed and supplementary allowance that forms part of the remuneration system for Directors in their capacity as such.

The amount of fixed remuneration in their capacity as Executive Directors for the 2020 financial year amounted in aggregate to €2,342 thousand, broken down as follows:

- 1,405 € thousand for the Chairman, which represents a reduction of 3% compared to 2019.
- 937 € thousand for the Chief Executive Officer, which represents a reduction of 6% with respect to the annualised amount for the previous year, in accordance with the terms of his contract.

Information on their fixed and supplementary allowance, as for the rest of the Directors in their capacity as such, can be found in section 3.6.

### 3.4.2. VARIABLE REMUNERATION

The variable remuneration of Executive Directors is linked to various metrics of results and profitability, both corporate and by business area in that period, 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.

### 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 2020 the overall level of achievement of the targets has been:

- In the case of the Chairman, a 86.4% of the *target* (56.8% of the maximum possible and 108% of the fixed remuneration), which corresponds to an incentive of €1,620 thousand.
- In the case of the Chief Executive Officer, a 81% of the *target* (54% of the maximum possible and 81% of the fixed remuneration), which corresponds to an incentive of €810 thousand.

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	60%	55% Net result	€ 161 M	€ 215 M	€ 247 M	€ -322 M	€ 0 th
		45% Cash flow	€ 350 M	€ 437 M	€ 547 M	€ 929 M	€ 945 th
QUALITATIVE TARGETS AND (ESG Environmental, social and corporate governance factors)	40%	- Operation of the Board and the Executive Committee				100%	€ 675 th
		- Corporate governance				75%	
		- Strategic plan				75%	
		- Successions				100%	
		- Institutional relations				100%	
							€ 1,620 th
CHIEF EXECUTIVE OFFICER	WEIGHT	METRICS	DEGREE OF ACHIEVEMENT OF TARGETS				Final Incentive Level
			Minimum	Target	Maximum	Real	
QUANTITATIVE TARGETS	70%	55% Net result	€ 161 M	€ 215 M	€ 247 M	€ -322 M	€ 0 th
		45% Cash flow	€ 350 M	€ 437 M	€ 547 M	€ 929 M	€ 540 th
QUALITATIVE TARGETS AND ESG (Environmental, social and corporate governance factors)	30%	- Strategic plan				83,33 %	€ 270 th
		- Employee health and safety				100 %	
		- Promoting Innovation and Sustainability				100 %	
		- Development of teams that guarantee stability in the management and achievement of the targets				100%	
		- Suitability and monitoring of the procedures associated with the taking on of controlled risk				50%	
		- Relationship with stakeholders				100%	
							€ 810 th

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

The data corresponding to the Net Result related to those published in the Annual Report in heading 2 of the Consolidated Annual Accounts, Statement B of the Consolidated Income Account € -410 M, excluding the extraordinary impacts of € - 87 M detailed in the table of Section 2 Result for the year, according to the like for like definition included in the Alternative Performance Measures Appendix. With regard to the cash flow data, it corresponds to the activity flow ex-infra projects of € 965M, published in the Consolidated Cash Flow Statement in section 1.4 Business Evolution of the Annual Report, excluding the payment of taxes detailed in that Statement, divestments cash flow derived from non-committed disposal of companies on the date of the objectives approval, and acquisition of companies, considering as such, purchase of participation in brownfield projects (I-77), according to the internal definition.

The details of the qualitative targets evaluated with respect to the Chief Executive Officer are shown below:

- Strategic plan.
- ESG (environmental, social and corporate governance factors):
  - Employee health and safety, as measured by the Company's accident rates: Reduction of 15% of deaths and serious accidents. Improved management of high potential accidents.
  - Promotion of Innovation and Corporate Social Responsibility-Sustainability: Launch of the implementation of the 2030 CO2 Plan and definition of the strategy to become carbon neutral by 2050.
  - Development of professional teams that guarantees the stability in the management and attainment of strategic targets of the organisation: Review of the first two organisational levels and implementation of the organisational changes necessary to have the best talent.

- Suitability and monitoring of the procedures associated with the taking on of controlled risk: Top 10 Audit Points - implementation of 90% actions / recommendations.
- Relationship with stakeholders. To meet with key investors to get their feedback on the strategy and the company, as well as other key stakeholders (financial partners, media and political groups).

## 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.

With respect to the Long-Term Incentive Plans, the second grant of the 2016-2018 Plan expired in 2020 with a target measurement period of 2017-2019.

In this regard, the incentive paid amounts to 89.13% of the units granted in 2017:

2017 Grant	Weight	Degree of achievement of the targets			% Payment
		Minimum	Maximum	Real	
Gross Operating Profit on Net Productive Assets	70%	< 9%	≥ 10,5%	9.45%	59.13%
Relative TSR*	30%	< Median	Position 1 to 5	Position 2	30%
<b>% of aggregated Payment</b>					<b>89.13%</b>

\* Comparison group: ACS, OHL, FCC, Atlantia, AdP, Fraport, Serco, Mitie, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.

Consequently, the incentive level corresponding to the second grant under the 2016-2018 Plan for the Chairman amounted to €1,602 thousand, corresponding to 68,496 shares valued as of 11 March 2020. At the grant price, this represents 79% of the Chairman's annual fixed remuneration.

The following long-term incentive plans were in force at the end of 2020:

- The third grant of the 2016-2018 Plan, whose target measurement period covers the period 2018-2020.
- The sole grant of the 2019 Plan, whose target measurement period covers the period 2019-2021.
- The first grant of the 2020-2022 Plan, whose target measurement period covers the period 2020-2022.

The delivery of shares, if any, to be made in 2021, corresponding to the 2018 grant under the 2016-2018 Plan, has an approximate value (at grant date value) of 27% of the Chairman's annual fixed remuneration.

In this regard, the incentive paid amounts to 30% of the units granted in 2018:

2018 Grant	Weight	Degree of achievement of the targets			% Payment
		Minimum	Maximum	Real	
Gross Operating Profit on Net Productive Assets	70%	< 9%	≥ 10,5%	7.59%	0%
Relative TSR*	30%	< Median	Position 1 to 5	Position 2	30%
<b>% of aggregated Payment</b>					<b>30%</b>

\* Comparison group: ACS, OHL, FCC, Atlantia, AdP, Fraport, Serco, Mitie, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.

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 2020 financial year	Granted during the 2020 financial year	Consolidated during the 2020 financial year				Instruments expired and not exercised	At the end of the 2020 financial year	
Plan	Grant	No. Equivalent shares	No. Equivalent shares	No. Equivalent shares	No. of consolidated equivalent shares	Consolidated share price (€)	Gross profit from consolidated shares (€ thousand)	No. of instruments (units)	No. Equivalent shares	
Chairman	2016-2018	2017	76,850	--	68,496	68,946	23,386	1,602	8,354	0
		2018	73,900	--	--	--	--	--	--	73,900
	2019	2019	70,000	--	--	--	--	--	--	70,000
	2020-2022	2020	--	46,500	--	--	--	--	--	46,500
CEO	2019	2019	14,468	--	--	--	--	--	--	14,468
	2020-2022	2020	--	46,500	--	--	--	--	--	46,500

**Note:** The number of shares granted in 2021 to the Chairman, represents 0.045% of his participation 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 2017-2020 period has been of 93%, below the limit established in the Directors' Remuneration Policy of 150%.

### 3.4.3 OTHER ITEMS OF REMUNERATION OF EXECUTIVE DIRECTORS IN 2020

#### - PAYMENT IN KIND

The Company has subscribed life assurance policies to cover the risk of death or incapacity of the Executive Directors. By 2020, the amount of the life insurance premium has risen to:

- 8 € thousand for the Chairman.
- 4 € thousand for the Chief Executive Officer.

During 2020, 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 2020, 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 concept in 2020 amounted to €401 thousand, with the total accumulated at the closing date of this report amounting to €503 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.

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

The terms and conditions of the Directors' contracts applicable in 2020 are the same as those set out in section 2.3.4. above.

### 3.5. EVOLUTION OF REMUNERATION OF EXECUTIVES

The following tables show the evolution over the last five years of the remuneration of the Executive Directors, due to their status as Executive Directors.

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

CHAIRMAN	2020	2019	2018	2017	2016
Fixed remuneration	1,405	1,455	1,455	1,455	1,455
Variable remuneration	1,620	1,608	1,337	2,393	2,261
Plans linked to shares	1,602	1,097	1,204	1,406	11,301 <sup>2</sup>
Others <sup>1</sup>	8	8	8	8	8
<b>TOTAL</b>	<b>4,635</b>	<b>4,168</b>	<b>4,004</b>	<b>5,262</b>	<b>15,025</b>

<sup>1</sup>Life insurance premiums

<sup>2</sup>In March 2016, having met the agreed metrics, a number of shares equivalent to the units allocated in 2013 was paid out, after the relevant withholdings. The number of stock options under the 2008 Plan exercised by Mr. Rafael del Pino amounts to 1,179,600, having ended with this financial year. As in all stock option or share-based plans granted by Ferrovial since 2000, the Chairman exercised his option rights in the last quarter prior to the expiry of the Plan

CHIEF EXECUTIVE OFFICER	2020	2019 <sup>1</sup>	2018	2017	2016
Fixed remuneration	937	250	-	-	-
Variable remuneration	810	250	-	-	-
Plans linked to shares	0	0	-	-	-
Others	4 <sup>3</sup>	600 <sup>2</sup>	-	-	-
<b>TOTAL</b>	<b>1,751</b>	<b>1,100</b>	-	-	-

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

<sup>2</sup> Incorporation bonus

<sup>3</sup> Life insurance premiums

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

In 2020, the Chairman's total accrued remuneration amounted to € 4,626 thousand, the average total accrued remuneration amounted to € 32 thousand and the ratio of these amounts is 144.

Regarding the fixed remuneration of the Chairman with respect to the average fixed remuneration in Spain, the ratio of these amounts is 47.

Ferrovial has 80,119 employees and is present in 6 main markets (Spain, United States, Canada, United Kingdom, Poland and Latinamerica) where there are specific remuneration conditions. We determine the total remuneration accrued taking into account all remuneration elements (fixed remuneration, annual variable remuneration, long-term incentives at grant price, profit). Salaries are considered on an annualised basis in order to be able to compare full-time and part-time employees.

### 3.6. REMUNERATION OF THE BOARD OF 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 approved for 2020 for all items, for membership of the Board of Directors of the Company, stands at €1,847.80 thousand.

- Fixed emolument: in 2020 the aggregate fixed allocation amounted to € 393 thousand.
- Complementary fixed emolument: in 2020, the complementary fixed emolument reached €587 thousand.
- Attendance fees: the Directors receive a fixed sum for attending Board of Directors meetings and for their delegated or advisory Committees.

As indicated above, as a result of COVID-19, the Board of Directors resolved to reduce by 20%, from 7 April until 31 July 2020, both the fixed remuneration of the Executive Chairman and Chief Executive Officer, as well as their fixed and supplementary allowances, as for the rest of the Directors in their capacity as such.

Details of the sums received per meeting in 2020 are given hereunder:

- 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

In total, the amount of attendance fees paid in 2020 reached €819 thousand.

The total amount paid in 2020 to the Directors for belonging to the Board, in their capacity as such, was €1,800 thousand.

The following table shows the Directors to whom remuneration applies, in their capacity as such, in the 2020 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 1/1/2020 until 31/12/2020
Mr. OSCAR FANJUL MARTÍN	Vice-chairman	Independent	From 1/1/2020 until 31/12/2020
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	CEO	Executive	From 1/1/2020 until 31/12/2020
Ms. MARÍA DEL PINO Y CALVO-SOTELO	Director	Proprietary	From 1/1/2020 until 31/12/2020
Mr. SANTIAGO FERNÁNDEZ VALBUENA	Director	Another External	From 1/1/2020 until 31/12/2020
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	Director	Independent	From 1/1/2020 until 31/12/2020
MR. JOAQUÍN DEL PINO Y CALVO-SOTELO	Director	Proprietary	From 1/1/2020 until 31/12/2020
Mr. PHILIP BOWMAN	Director	Independent	From 1/1/2020 until 31/12/2020
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	Director	Independent	From 1/1/2020 until 31/12/2020
Mr. BRUNO DI LEO	Director	Independent	From 1/1/2020 until 31/12/2020
Mr. JUAN HOYOS MARTINEZ DE IRUJO	Director	Independent	From 1/1/2020 until 31/12/2020
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Director	Independent	From 1/1/2020 until 31/12/2020

## 4. ALIGNMENT OF REMUNERATION IN THE GROUP TO THE LONG-TERM INTERESTS OF THE COMPANY AND THE REDUCTION OF RISKS

The remuneration policy of Ferrovial is designed in consideration of the strategy and the long-term results of the Company:

- The Long-Term Incentive Plans form part of a pluriannual framework to guarantee that the process of evaluation is based upon the long-term results and that it takes into account the underlying economic cycle of the Group. This remuneration is granted and paid 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, annual allocations are made which, as a general rule, are linked over time, maintaining a permanent focus on the long-term concept in all decisions.
- Once shares in the Long-Term Incentive Plans have been allocated, Executive Directors must hold (directly or indirectly) a number of shares in the Company equivalent in value to at least twice their gross fixed remuneration.
- For Executive Directors, the long-term element has a weighting of approximately 35/40% of total total remuneration in a maximum performance scenario (fixed annual variable long-term incentive at grant value).
- 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 targets linked to variable remuneration are not met, the Executive Directors will only draw the fixed remuneration.

In addition, Ferrovial has the following tools to ensure that its remuneration policy is not exposed to excessive risk:

- The Nomination and Remuneration Committee is made up of four members, one of whom is also a member of the Audit and Control Committee. The intersecting membership of these two Committees favours taking into consideration the risks associated to the remuneration in the deliberations of the cited Committees and in their proposals to the Board, both in determining and in the evaluation process for the annual and pluriannual incentives.
- 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.
- In the case of annual variable remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated and adjusted to the pro forma result.
- Ferrovial has implemented a comprehensive risk management system called *Ferrovial Risk Management* ("FRM"). This system, directed at an association of the risks analysed with the targets 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.

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 manifests itself in the following principles:

- a. Business ethics.
- b. Awareness and proportionality of the risk assumed.
- c. Segregation of duties.
- d. Assessment of risk.
- e. Protection of people's health and integrity.
- f. Distribution of information.
- g. 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 is based on the delivery of shares conditioned to the fulfilment of targets that are measured over a 3-year period. This produces an interrelationship of each year's results, thereby acting as a catalyst for alignment with the long-term interests of the Company and prudent decision making.

- e) As explained in section 2.3.3. above, all variable remuneration is subject to a *malus* 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.

## 5. PROCEDURES AND BODIES OF THE COMPANY INVOLVED IN THE REMUNERATION POLICY. MAIN ACTIVITIES CARRIED OUT BY THE NOMINATION AND REMUNERATION COMMITTEE DURING THE FINANCIAL YEAR 2020

### 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 Nomination and Remuneration Committee and the General Shareholders' Meeting, the latter being competent to approve it in accordance with article 22.2.d) of the Bylaws and in accordance with current legislation.

The Board, with the proposal from the Nomination and Remuneration 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 Board of Directors Regulations, 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, except for the remunerations that have been expressly approved by the General Meeting.
- 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 determining the remuneration of each Director as such, in accordance with the law and the Bylaws, and shall take into account for this purpose the remit and responsibility attributed to each Director, membership of Committees of the Board and such other objective circumstances as it may deem relevant.
- The Board of Directors shall be responsible for the remuneration of the Executive Directors in compliance with what is stipulated by law and in the remuneration policy for Directors approved by the General Meeting.

In addition to the foregoing, Article 9.3 of the Board Regulations also states that the Board shall prepare an annual report on the remuneration of its Directors, under the terms established in current legislation, which shall be disseminated and submitted to the consultative vote of the General Shareholders' Meeting as a separate item on the agenda.

- 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, for the establishment of 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 Nomination and Remuneration Committee, following the good practices and recommendations established in the Technical Guide 1/2019 of the Nomination and Remuneration Committees, uses reports prepared by independent external advisors. In 2020, Willis Towers Watson 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 made up of four members, one of whom (Mr. Santiago Fernández Valbuena) is also a member of the Audit and Control Committee. The intersecting membership of these two Committees favours taking into consideration the risks associated to the remuneration in the deliberations of the cited Committees and in their proposals to the Board, both in determining and in the evaluation process for the annual and pluriannual incentives.

Name	Position	Type of Director
Mr. José Fernando Sánchez-Junco Mans	Chairman	Independent
Mr. Bruno Di Leo	Member	Independent
Mr. Santiago Fernández Valbuena	Member	Another External
Ms. Hanne Sorensen	Member	Independent

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

Name	Experience and knowledge
Mr. José Fernando Sánchez-Junco Mans	Industrial Engineer, Infrastructures, International Experience, Innovation/ new technologies
Mr. Bruno Di Leo	Finance, Business Strategy, Commercial Management, New Technologies, International Experience
Mr. Santiago Fernández Valbuena	Economics, Finance, Information Technology, Accounting and Auditing, International Experience
Ms. Hanne Sorensen	Economics and Management, International Experience, Finance, Shipping, Logistics, Commercial Management

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

- To 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.

- To report on the appointment of the members who must form part of each of the Committees.
- To analyse the process that allows the succession ordered by the Chairman and the CEO.
- To report on the appointment and removal of those managers who are directly responsible to the CEO.
- To propose and periodically review the system and amount of annual remuneration of Directors.
- To propose the basic conditions of the contracts for senior managers.
- To monitor compliance with the remuneration policy set by the Company.
- To periodically review 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.
- To verify the information about remuneration of the Directors and Senior Managers contained in the different corporate documents, including the annual report on Directors' remuneration.
- To 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 2020 FINANCIAL YEAR**

In the financial year 2020 the Nomination and Remuneration Committee met on 6 occasions. The following table shows the individual attendance of its members:

Name	Position	Attendance at meetings
Mr. José Fernando Sánchez-Junco Mans	Chairman	6/6
Mr. Bruno Di Leo	Member	6/6
Mr. Santiago Fernández Valbuena	Member	6/6
Ms. Hanne Sorensen	Member	5/6

The following table shows the most relevant actions carried out by the Committee during 2020.

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

Quarter	Actions carried out
First Quarter 2020	<ul style="list-style-type: none"> <li>Proposal of fixed remuneration for the 2020 financial year for the Executive Directors, and report on 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>Evaluation of the proposal for variable annual remuneration for 2019 payable in 2020 to the Executive Directors and report on that of the Management Committee.</li> <li>The variable remuneration of the executive directors 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>Proposed allocation of units from the 2020 Share Delivery Plan to the Executive Directors and report on the allocation of units to the members of the Management Committee and assessment of compliance with the corresponding metrics.</li> <li>Discussion and submission to the Board of the Long-Term Incentive Plan for the period 2020-2022.</li> <li>Closing of the remuneration of the Directors in their capacity as such for the 2019 financial year.</li> <li>Nominations to Boards of Directors of companies of the Ferrovial Group.</li> </ul>
Second Quarter 2020	<ul style="list-style-type: none"> <li>Evaluation of the Board carried out with an external consultant (KPMG).</li> <li>Analysis of the external competitiveness of remuneration of Directors in their capacity of such through benchmarking carried out by the consultancy Willis Towers Watson.</li> <li>Nominations to Boards of Directors of companies of the Ferrovial Group.</li> </ul>
Third Quarter 2020	<ul style="list-style-type: none"> <li>Analysis of the initiatives to be carried out to reduce the gap between market expectations and proxy advisors and the information provided, whose report has been carried out by Georgeson. As a result of this analysis measures to increase transparency, etc., were implemented.</li> <li>Nominations to Boards of Directors of companies of the Ferrovial Group.</li> </ul>
Fourth Quarter 2020	<ul style="list-style-type: none"> <li>Analysis of the implementation of the initiatives to be carried out to reduce the gap between market expectations and <i>proxy advisors</i> and the information provided, whose report was carried out by Georgeson.</li> <li>Annual review of the dedication of the Non-Executive Directors: other professional obligations.</li> <li>Analysis of the configuration of the Board of Directors and its Committees.</li> <li>Policy update on the composition of the Board of Directors.</li> <li>Modifications to the Directors' Remuneration Policy and adaptation to the recommendations of the Code of Good Governance.</li> <li>Nominations to Boards of Directors of companies of the Ferrovial Group.</li> <li>Report on the operation of the Committee.</li> </ul>

In 2021, up to the date of approval of this report, the same activities have been carried out as in 2020, review and proposal of the remuneration plans for Executive Directors to be put to the vote at the 2021 Annual 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".

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 2020 for the aforementioned insurance amounts to €1,059 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 negative votes cast, if applicable:

	Number	% on the total
Votes cast	515,925,092	70.17%

	Number	% over cast
Votes against	178,669,152	34.63%
Votes in favour	333,532,973	64.65%
Abstentions	3,722,967	0.72%

**Remarks**

In abstentions, both the figure for abstentions and blank votes are included so that the joint figure is equal to the total number of votes cast.

C LIST OF INDIVIDUAL REMUNERATIONS FOR EACH DIRECTOR

Name	Type	Period of accrual financial year 2020
Mr RAFAEL DEL PINO Y CALVO-SOTELO	Executive Chairman	From 1/1/2020 until 31/12/2020.
Mr OSCAR FANJUL MARTÍN	Independent Director	From 1/1/2020 until 31/12/2020.
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	Chief Executive Officer	From 1/1/2020 until 31/12/2020.
Ms. MARÍA DEL PINO Y CALVO-SOTELO	Proprietary Director	From 1/1/2020 until 31/12/2020.
Mr. SANTIAGO FERNÁNDEZ VALBUENA	Other external Director	From 1/1/2020 until 31/12/2020.
MR. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	Independent Director	From 1/1/2020 until 31/12/2020.
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	Proprietary Director	From 1/1/2020 until 31/12/2020.
Mr. PHILIP BOWMAN	Independent Director	From 1/1/2020 until 31/12/2020.
Ms HANNE BIRGITTE BREINBJERG SØRENSEN	Independent Director	From 1/1/2020 until 31/12/2020.
MR BRUNO DI LEO	Independent Director	From 1/1/2020 until 31/12/2020.
Mr. JUAN HOYOS MARTINEZ DE IRUJO	Independent Director	From 1/1/2020 until 31/12/2020.
Mr GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Independent Director	From 1/1/2020 until 31/12/2020.

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 financial year 2020	Total financial year 2019
Mr RAFAEL DEL PINO Y CALVO-SOTELO	33	122		1,405	1,620			86	3,266	3,315
Mr OSCAR FANJUL MARTÍN	33	83						70	186	152
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	33	61		937	810			43	1,884	532
Ms. MARÍA DEL PINO Y CALVO-SOTELO	33	61						43	137	144
Mr. SANTIAGO FERNÁNDEZ VALBUENA	33	69						43	145	160
Mr. JOSÉ FERNANDO SÁNCHEZ- JUNCO MANS:	33	81						43	157	161
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	33	48						43	124	126
Mr. PHILIP BOWMAN	33	59						43	135	131
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	33	56						43	132	130
Mr. BRUNO DI LEO	33	58						43	134	126
Mr. JUAN HOYOS MARTINEZ DE IRUJO	33	61						43	137	30
Mr GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	33	59						43	135	2

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 2020 financial year		Financial instruments granted during financial year 2020		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of financial year 2020	
		No. instrument	No. Equivalent shares	No. instrument	No. Equivalent shares	No. instrument	No. Shares equivalent/ consolidated	Consolidated share price	Gross profit from consolidated shares or financial instruments (€ thousand)	No. instruments	No. instrument	No. Equivalent shares
Mr RAFAEL DEL PINO Y CALVO-SOTELO	2016-2018 Plan (2017 grant):	--	76,850	--	--		68,496	23,386	1,602	8,354	--	0
	2016-2018 Plan (2018 grant):	--	73,900	--	--	--	--	--	--	--	--	73,900
	2019 Plan	--	70,000	--	--	--	--	--	--	--	--	70,000
	2020-2022 Plan (2020 grant):	--	--	--	46,500	--	--	--	--	--	--	46,500
Mr. IGNACIO MADRIDE-JOS FERNÁNDEZ	2019 Plan	--	14,468	--	--	--	--	--	--	--	--	14,468
	2020-2022 Plan (2020 grant):	--	--	--	46,500	--	--	--	--	--	--	46,500

iii) Long-term savings systems

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

Name	Contribution during financial year by Company (€ thousands)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Financial year 2020		Financial year 2019	
	Financial year 2020	Financial year 2019	Financial year 2020	Financial year 2019	Systems with consolidated economic rights	Systems with unconsolidated economic rights	Systems with consolidated economic rights	Systems with unconsolidated economic rights
	Mr. IGNACIO MADRIDEJOS FERNÁNDEZ			401	100		503	

iv) Breakdown of other items

Name	Item	Remuneration amount
Mr RAFAEL DEL PINO Y CALVO-SOTELO	Life insurance premiums	8
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	Life insurance premiums	4

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 financial year 2020	Total financial year 2019
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 2019 financial year		Financial instruments granted during financial year 2020		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of financial year 2020	
		No. instruments	No. Equivalent shares	No. instruments	No. Equivalent shares	No. instruments	No. Shares equivalent/ consolidated	Consolidated share price	Gross profit from consolidated shares or financial	No. instruments	No. instrument	No. Equivalent shares

									instruments (€ thousand)			
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		Financial year 2020		Financial year 2019	
	Financial year 2020	Financial year 2019	Financial year 2020	Financial year 2019	Systems with consolidated economic rights	Systems with unconsolidated economic rights	Systems with consolidated economic rights	Systems with unconsolidated economic rights
	No data							

**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 drawn by the Director, in € thousand.

Name	Remuneration accrued in the Company					Remuneration accrued in companies of the Group				
	Total Remuneration in cash	Gross profit from consolidated shares or financial instruments	Remuneration for savings systems	Remuneration for other items.	Total financial year 2020 Company	Total Remuneration in cash	Gross profit from consolidated shares or financial instruments	Remuneration for savings systems	Remuneration for other items.	Total financial year 2020 Group
Mr RAFAEL DEL PINO Y CALVO-SOTELO	3,266	1,602			4,868					4,868
Mr OSCAR FANJUL MARTÍN	186				186					186
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	1,884				1,884					1,884
Ms. MARÍA DEL PINO Y CALVO-SOTELO	137				137					137
Mr. SANTIAGO FERNÁNDEZ VALBUENA	145				145					145
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS:	157				157					157
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	124				124					124
Mr. PHILIP BOWMAN	135				135					135
Ms HANNE BIRGITTE BREINBJERG SØRENSEN	132				132					132
MR BRUNO DI LEO	134				134					134
Mr. JUAN HOYOS MARTINEZ DE IRUJO	137				137					137
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	135				135					135
TOTAL	4,142	1,602			8,174					8,174



This annual remuneration report was approved by the company's board of directors at its meeting in 25 February 2021.  
Indicate whether there are Directors who may have voted against or abstained, in relation to the approval of the present 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