

REMUNERATION REPORT

SUSTAINABLE GROWTH

Introduction by the Chairman of the Nomination and Remuneration Committee

Directors' Remuneration Policy in 2024

Implementation of the Directors' Remuneration Policy in 2023

Alignment of remuneration in the group with the long-term and sustainable performance of the company and the reduction of risks

Procedures and bodies of the Company involved in the Remuneration Policy. Main activities carried out by the Nomination and Remuneration Committee during 2023 financial year

Summary total remuneration tables

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 2023 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.

Remuneration decisions

A new Remuneration Policy, which became effective since 16 June 2023 per the merger effective time, was approved by the General Shareholders' Meeting held on 13 April 2023 due to the effective time of the cross-border merger between Ferrovial, S.A. and the Ferrovial SE (hereinafter, "Remuneration Policy"). The new Remuneration Policy provides more transparency and comply with Dutch law and a main change introducing the fixed remuneration increase of the CEO to €1,450,000 to reflect the increase in the cost of living in Amsterdam (instead of Madrid) as well as an incentive in connection with his relocation to another country.

The annual variable remuneration related to the results of the 2023 fiscal year has been settled in the first quarter of 2024, whose payment level for the Chairman amounts to 149.8% of the target and for the Chief Executive Officer amounts to 146.7% of the target. This process is detailed in section 3 "Implementation of the Directors' Remuneration Policy in 2023".

On the other hand, the settlement of the 2020 allocation corresponding to the 2020 Long-Term Incentive Plan was carried out in March 2023. The payment level amounted to 63.88% of the maximum incentive.

Additionally, a new Long-Term Incentive Plan (2023-2025 Plan) was approved by the General Shareholders' Meeting. The Plan includes, besides Activity Cash Flow and Total Shareholder Return regarding a comparator group, an ESG metric with greenhouse gas reduction, diversity and occupational health and safety targets.

The level of support obtained at the General Shareholders' Meeting held on 13 April 2023, for the items on the agenda relating to remuneration was significantly high and in line with results obtained in 2022.

People and diversity

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 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. In addition, the members of the Committee are committed to continuing to improve the existing level of interaction with institutional investors and *proxy advisors*.

According to the applicable legislation, this annual remuneration report will be submitted to an advisory vote at the 2024 Annual General Shareholders' Meeting.

Bruno Di Leo

2. DIRECTORS' REMUNERATION POLICY IN 2024

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 13 April 2023 as per the cross-border merger between Ferrovial, S.A. and the Ferrovial SE., which shall remain in effect since 16 June 2023 per the merger effective time until the General Meeting of the Company to be held in 2027.

The Directors' Remuneration Policy can be accessed at the following link: <https://static.ferrovial.com/wp-content/uploads/2023/06/16131433/directors-remuneration-policy-fse.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
Executive Directors	
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	
Directors in their capacity as such	
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

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 benchmarking by the Nomination and Remuneration Committee to establish the different components for the remuneration is established based on the following criteria:

- sufficient number of companies to obtain representative and statistically reliable and sound results;
- dimension data: turnover, market capitalization, assets, number of employees and geographic scope;
- area of responsibility: companies mainly listed in IBEX35 and multinationals in the sector; and
- sectoral distribution: multi-sectoral sample with relevant weight of the construction, energy and financial sectors.
- consistency with the comparison group established to measure Relative Total Shareholder Return in the Long-Term Incentive Plan. Therefore, Tutor Perini and Webuild enter the group instead of Atlantia, Kier and Strabag.

As a result, the comparison group consists of the following 23 companies:

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

Ferrovial is around the median of the comparison group of 23 companies in size.

With respect to Directors' remuneration in their capacity as such, the market information in Spain and the Netherlands is analyzed. Ferrovial is around the median for remuneration in the IBEX35 and between median and 75th percentile for AEX25. The comparison group used for Executive Directors is also analyzed 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	Target: 125% of the FR Maximum: 190% of the FR	Maximum (annualised): 150% of the FR
Targets	N/A	80% Quantitative: <ul style="list-style-type: none"> Net Result (55%) Cash Flow (45%) 20% Qualitative and ESG	2020-2022 Plan (2022 grant): <ul style="list-style-type: none"> 50% Activity cash flow 50% Relative TSR 2023-2025 Plan (2023 and 2024 grant): <ul style="list-style-type: none"> 40% Activity cash flow 50% Relative TSR 10% ESG metrics (greenhouse gas reduction, diversity and occupational health and safety goals)
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	€1,450,000	Target: 100% of the FR Maximum: 150% of the FR	Maximum (annualised): 150% of the FR
Targets	N/A	70% Quantitative: <ul style="list-style-type: none"> • Net Result (55%) • Cash Flow (45%) 30% Qualitative and ESG	2020-2022 Plan (2022 grant): <ul style="list-style-type: none"> • 50% Activity cash flow • 50% Relative TSR 2023-2025 Plan (2023 and 2024 grant): <ul style="list-style-type: none"> • 40% Activity cash flow • 50% Relative TSR • 10% ESG metrics (greenhouse gas reduction, diversity and occupational health and safety goals)
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.

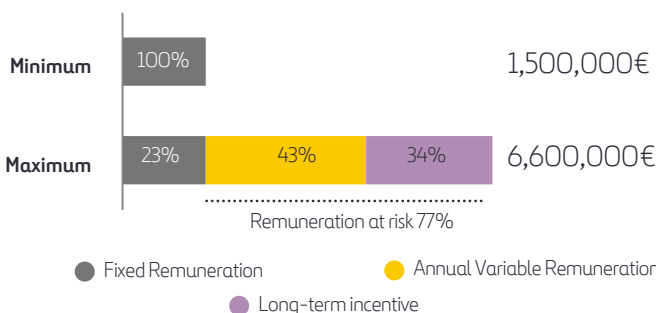
In addition, the company has taken out life insurance policies to cover the risk of death and disability of the Executive Directors. In addition, the Chief Executive Officer participates in a deferred long term saving remuneration scheme that will only become effective when they leave the Company by mutual agreement with the Company upon reaching a certain age, and therefore there are no vested rights (see 2.3.1).

The fixed remuneration of the Chairman remains constant in 2024. In the case of the Chief Executive Officer, the amount was increased to €1,450,000 effective since the date of the merger to reflect the increase in the cost of living in Amsterdam (instead of Madrid) as well as an incentive in connection with his relocation to another country.

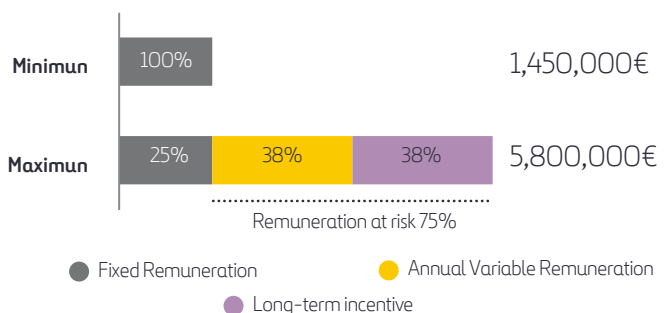
With regard to the remuneration mix, Ferrovial’s remuneration policy establishes an appropriate balance between fixed and variable components of remuneration. The weight of remuneration at risk for executive directors is at least 75% of total remuneration for a maximum scenario that envisages a maximum 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 annualized long-term variable remuneration (150% of the fixed remuneration) would accrue.
- The value of the maximum annualized 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:

Fixed remuneration To reward upon the basis of level of responsibility and professional background	Operations	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.
	Amount	<ul style="list-style-type: none"> Chairman: €1,500,000 Chief Executive Officer: €1,450,000
Remuneration in kind To offer a competitive compensation package	Implementation	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 obtain some of the products or services offered by the company under the flexible remuneration plan.
	Maximum amount	<ul style="list-style-type: none"> Chairman: €50,000 Chief Executive Officer: €50,000

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 2024, 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

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. The scenario analyses of the possible financial outcomes on the variable remuneration considering different stress tests of the performance metrics have been carried out, in order to ensure the alignment between pay and performance.

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 2024 financial year, the targets established are as follows:

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

	Quantitative Targets		Qualitative Targets and ESG	
	Weight	Metrics	Weight	Metrics
Chairman	80%	<ul style="list-style-type: none"> • Net Result • Cash Flow 	20%	<ul style="list-style-type: none"> • Operation of the Board and the Executive Committee. • Strategic Planning. • Environmental, Social and Corporate Governance (ESG) Factors: <ul style="list-style-type: none"> – Corporate governance. – Succession plan. – Relationship with stakeholders.
CEO	70%	<ul style="list-style-type: none"> • Net Result • Cash Flow 	30%	<ul style="list-style-type: none"> • Strategic Plan. • Environmental, Social and Corporate Governance (ESG) Factors: - <ul style="list-style-type: none"> – Employee health and safety, as measured by the Company’s accident rates. – Promotion of Innovation and Corporate Social Responsibility, Diversity, Emission Reduction and Sustainability. – Development of professional teams that guarantee the stability in the management and attainment of strategic targets of the organization. – Suitability and monitoring of the procedures associated with the taking on of controlled risk. – Relations with stakeholders.

Long-term variable remuneration

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 2024, the third grant (2022-2024) is in force.

The newer Long-Term Incentive Plan (2023-2025 Plan), similar to the previous ones, was approved by the General Shareholders' Meeting held on 13 April 2023. 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 2024, the first grant (2023-2025) and the second grant (2024-2026) 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.

The scenario analyses of the possible financial outcomes on the Long-Term Incentive Plans considering different stress tests of the performance metrics have been carried out, in order to ensure the alignment between pay and performance.

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

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

			Scale of achievement		
	%	Metrics	Degree of achievement		% payout
2020-2022 Plan	50%	Activity cash flow	Maximum	€1,635 million	50%
				€1,242 million	25%
			Minimum	€849 million	0%
	50%	Relative TSR	Maximum	Position 1 to 3	50%
			Position 4 to 6	40%	
Minimum			Position 7 to 9 Position 10 to 18	30% 0%	
2023-2025 Plan	40%	Activity Cash Flow	Maximum	€836 million	40%
			Minimum	€671 million €571 million	20% 0%
	50%	Relative TSR	Maximum	Position 1 to 3	50%
				Position 4 to 6	40%
			Minimum	Position 7 to 9 Position 10 to 18	30% 0%
	10%	CO ₂ Emissions	Maximum	≥26.9%	5%
			Minimum	≤21.5%	0%
		Diversity	Maximum	≥32.0%	2.5%
Minimum			≤27.2 %	0%	
Health and Safety	Maximum	≥27.1%	2.5%		
	Minimum	≤19.0 %	0%		

In this regard:

- Activity cash flow: the sum of Cash Flows 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.
- CO₂ emissions: The % decrease in CO₂ 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 taking 2022 as a reference.

For all the above metrics, intermediate values shall be calculated by linear interpolation between the different thresholds.

- Relative TSR: Total Shareholder Return (TSR) compared to the following groups of companies:
 - For the 2020-2022 Plan - 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 and second grant: ACS, CCR, Granite, BIP, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Tutor Perini, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Webuild and AENA.

*According to the Article 1.4 of the General Conditions of the Performance-Based Share Plan, the Company Nomination and Remuneration Committee will change the companies that make up the group of comparison entities for the purposes of this Plan in case of delisting. On October 10th, 2022, the company Atlantia was subject to a takeover bid. Hence, the following decision was made:

- For the 2020-2022 Plan, as the delisting date was very close to the end of the year, the price of the last trading day was considered as the average closing price for the purpose of TSR calculation with no amendments on the comparable peers.
- Since that date and for the 2021-2023 Plan and the 2022-2024 Plan, Atlantia was substituted by a combination of three new companies: Webuild, Brookfield Infrastructure Partners (BIP) and Tutor Perini.

The substitution process was aligned with the peers re-evaluation carried out for the Performance Shares General Conditions update for the next 3-year period (2023-2025). In light with this, it was agreed that Atlantia, Strabag (focused on Austrian and German markets) and Kier (mainly UK exposure) should be replaced by three companies more suitable to the current Company trend: Webuild (similar pipeline and United States competitor), Tutor Perini (listed construction company in the United States) and Brookfield Infra. Partners (specialized infrastructure investment fund).

Understood as the evolution of the "Total Shareholder Return" index (hereinafter "TSR") of the Company, for the three financial years closed subsequently to the corresponding Unit Allocation Date, must be above a certain position on the TSR ranking among a group of comparison entities, for the same measurement period (hereinafter, the "Measurement Period").

TSR shall mean the index measuring the value generated for the shareholder according to the following formula:

$$\text{TSR} = (\text{Quotation at closing of Measurement Period} - \text{Quotation at beginning of Measurement Period} + \text{Dividends or related items}) / \text{Quotation at beginning of Measurement Period}.$$

For determining the quotation at the beginning and end of the Measurement Period, the arithmetic average of the closing price of the 15 prior and subsequent trading days to the last working trading day of the corresponding year (excluding the trading session of the last working day) shall be used.

2.3.2. Shareholding 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 favorable opinion of the Nomination and Remuneration Committee, in order to deal with extraordinary situations that so require (See section 8 "Compliance with Corporate Governance Requirements" in the Corporate Governance Report).

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:

- 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.

- 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.
- 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.
- In any event, pursuant to Dutch law, the remuneration of Executive Directors may be reduced or Executive Directors may be obliged to repay (part of) their variable remuneration to the Company if certain circumstances apply.

In accordance with Dutch law, if according to the principles of reasonableness and fairness, payment of a bonus would be unacceptable, the Board has the power to modify the level of the bonus to an appropriate level. For these purposes, a bonus means a non-fixed part of the remuneration, the award of which is wholly or partly dependent on the achievement of certain goals or the occurrence of certain circumstances. In addition, the Company will have the authority under Dutch law (section 2:135 (8) of the Dutch Civil Code) to recover from an Executive Director any variable remuneration awarded on the basis of incorrect financial or other data.

- Notwithstanding anything to the contrary above, the variable components of remuneration paid or awarded to the Executive Directors shall be subject to any "clawback policy" or similar policy or agreement adopted by the Company providing for the reimbursement of variable or incentive compensation to the extent required by applicable laws, rules and regulations.

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:

- **Duration:** Indefinite
- **Cases of termination and compensation:** termination of their contract for any reason whatsoever shall not entitle them to any compensation.
- **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.
- **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.
- **Recovery clause:** as indicated in section 2.3.3 above.

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

- **Duration:** Indefinite.
- **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.
- **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 (See section 8 "Compliance with Corporate Governance Requirements" in the Corporate Governance Report).
- **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.
- **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.
- **Recovery clause:** as indicated in section 2.3.3 above.

2.4. Remuneration of Directors in their Capacity 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 2024 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 8.5.3 of the Articles of Association, 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.

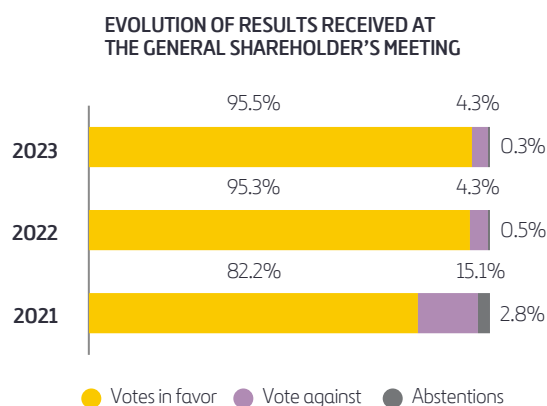
3. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2023

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 2022 financial year.

	Number	% On the Total Share Capital
Votes cast	562,279,368	77.30%
	Number	% On Cast
Votes against	24,018,307	4.27%
Votes in favour	536,745,966	95.46%
Abstentions	1,507,838	0.27%
Blank votes	7,257	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 13 April 2023, for the items on the agenda relating to remuneration was in line with the 2022 results and significantly higher than in the 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 favor which remained stable for the Remuneration Policy approved in 2023 as per the merger (88.99% votes in favor), as well as the improvements included in ARDR since 2021.

As usual, and during the second quarter of 2023, 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 2023 financial year.

3.2. Implementation of the Directors' Remuneration Policy in 2023

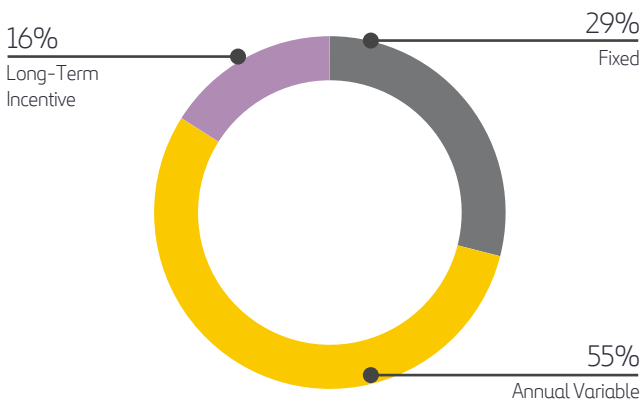
The Board of Directors and the Nomination and Remuneration Committee have strictly applied the Remuneration Policy following the principles established therein.

The remuneration accrued in the 2023 financial year has followed the terms of the Remuneration Policy approved by the General Shareholders' Meeting held on 7 April 2022, until the date of the effective merge of Ferrovial, S.A and Ferrovial, S.E, when the current Remuneration Policy approved by the General Shareholders' Meeting held on 13 April 2023 entered in force. 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.

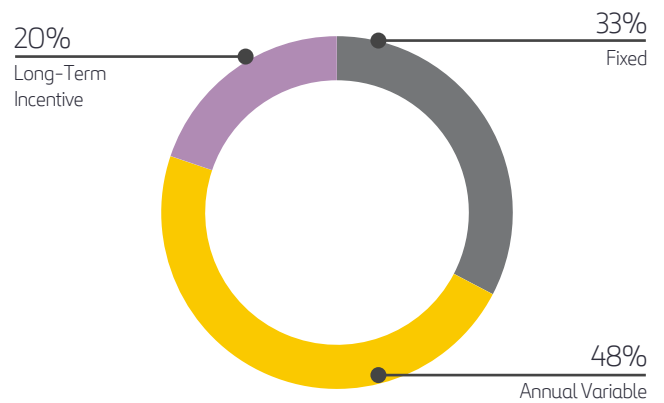
3.3. Remuneration of Executive Directors Accrued in 2023

During the financial year 2023 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 except the aforementioned change in Chief Executive Officer fixed salary. 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 (excluding board fees and perquisites). The following charts show the weight of each of the remuneration components accrued in 2023 for the Chairman and the Chief Executive Officer:

**CHAIRMAN
COMPOSITION OF ACCRUED COMPENSATION IN 2023**



**CHIEF EXECUTIVE OFFICER
COMPOSITION OF ACCRUED COMPENSATION IN 2023**



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

3.3.1. Fixed Remuneration

The amount of fixed remuneration in their capacity as Executive Directors for the 2023 financial year amounted in aggregate to €2,813 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).
- €1,313 thousand for the Chief Executive Officer (€1,150 thousand until 15 June and €1,450 thousand from 16 June onwards).

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.

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:

- 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 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.
- In the case of variable annual remuneration, 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.
- 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.
- An obligation to hold shares is established, in the case of long-term variable remuneration.
- 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 2023 the level of payout is as follows:

- For the Chairman, €2,809 thousand, which is 149.8% of the target (98.6% of the maximum possible and 187.3% of the 2023 fixed remuneration).
- In the case of the Chief Executive Officer, €1,926 thousand, which is 146.7% of the target (97.8% of the maximum possible and 146.7% of the 2023 fixed remuneration).

The following tables show the breakdown of the short-term variable remuneration:

Chairman	Weight	Metrics	Degree of Achievement of Targets				
			Minimum	Target	Maximum	Actual	Final Incentive Level
Quantitative Targets 80%	55%	Net result	68.7%	100%	131.3%	157.5%	€1,361.3 thousand
	45%	Cash flow	-737.8%	100%	1,344.6%	3,006.9%	€1,113.8 thousand
Qualitative Targets and ESG (Environmental, social and corporate governance factors) 20%	Operation of the Board and the Executive Committee (20%)	0%		100%	90%	€333.8 thousand	
		<ul style="list-style-type: none"> • BoD and Exe. Committee performance based on external assessment • BoD transition to NDL • Align BoD composition to NDL and US listing request 					
	Strategic Planning (20%)	0%		100%	90%		
		<ul style="list-style-type: none"> • Strategic review • Foster growth • Implement merger and listing plan 					
	ESG Measure: Corporate Governance (20%)	0%		100%	100%		
		<ul style="list-style-type: none"> • Maintain DJSI (top 3 in our industry) and CDP (A level). • Absolute emissions tCo2e -23,5% VS. 2009 • 10% reduction Serious Injury Frequency rate • Fatalities reduction 					
	ESG Measure: Succession Plan (20%)	0%		100%	80%		
<ul style="list-style-type: none"> • Lead the execution of the development plan to ensure a solid Chairman and CEO succession. 							
ESG Measure: Institutional Representation (20%)	0%		100%	85%			
	<ul style="list-style-type: none"> • Develop the relationship with all key stakeholders. 						
							€2,808.8 thousand

Chief Executive Officer	Weight	Metrics	Degree of Achievement of Targets				Final Incentive Level	
			Minimum	Target	Maximum	Actual		
Quantitative Targets 70%	55%	Net result	68.7%	100%	131.3%	157.5%	€866.3 thousand	
	45%	Cash flow	-737.8%	100%	1,344.6%	3,006.9%	€708.8 thousand	
Qualitative Targets and ESG (Environmental, social and corporate governance factors) 30%			0%		100%		€350.5 thousand	
		Strategic Plan (30%)		<ul style="list-style-type: none"> Strategic review. Growth and new businesses. Execute divestment plan. Develop successfully the merge and listing in NDL and USA. 		80%		
		ESG Measure: Employee health and safety, as measured by the Company's accident rates (15%)	0%	<ul style="list-style-type: none"> 10 % reduction Serious Injury Frequency rate. Fatalities reduction. Leadership engagements. 		100%		
		ESG Measure: Promotion of Innovation and Corporate Social Responsibility, Diversity, Emission Reduction and Sustainability (15%)	0%	<ul style="list-style-type: none"> Develop a widely used internal IA platform. Implementation of the Horizon Digital 24 plan. Maintain DJSI (top 3 in our industry) and CDP (A level). Absolute emissions tCo2e -23,5% vs 2009. 		90%		
		ESG Measure: Development of professional teams that guarantee stability in the management and achievement of the organization's strategic targets (20%)	0%	<ul style="list-style-type: none"> Talent management. Maintain or improve the degree of employee satisfaction. Increase diversity both in Ferrovial Leadership Team and new hires. 		82.6%		
		ESG Measure: Suitability and monitoring of procedures linked to taking on controlled risks (5%)	0%	<ul style="list-style-type: none"> % implementation of internal Audit recommendations. 		100%		
		ESG Measure: Relations with stakeholders (15%)	0%	<ul style="list-style-type: none"> Relationship with stakeholders to implement corporate reorganization. Investors relations with a special focus on developing investors in the USA. 		100%		

Notes:

Certain metrics are not disclosed due to strategic or commercial sensitivity.

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.

Net Income data for Achievement purposes EUR 331 mn (157.53% of achievement compared to the adjusted budget) correspond to those published in the Integrated Report in section 6 of the Consolidated Financial Statements, Statement B of the Consolidated Income Statement EUR 460 mn, excluding the extraordinary impacts of EUR 177 mn detailed in the table of Section 2 Profit/(loss) for the year, according to the like-for-like definition included in the Appendix of Alternative Performance Measures, the expenses derived from the change of the head office to the Netherlands and the ongoing listing process in the US (EUR 30 mn), as well as the impact derived from the PPA fair value update in I-66 and Dalaman (not included in the Target due to the change in the calculation method; EUR 9 mn and EUR 9 mn respectively).

The cash flow figure of EUR 712 mn (3006.88% of achievement compared to the budget) corresponds to the cash flow from ex-project activity of EUR 292 mn, published in the Cash Flow Section 5.3 of the Consolidated Financial Statements, eliminating: tax payment detailed in that Statement (EUR 155 mn); payments related to the remaining costs of transaction of the Services division (EUR 15 mn), one-off payments related to the change of the head office to the Netherlands and the ongoing listing process in the US (EUR 26 mn), the equity contribution carried out in the assets JFK (EUR 214 mn) and Centella due to tax purposes (EUR 10 mn), all of them considered in the target definition.

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.

In 2023 the delivery of the shares corresponding to the grant of the 2020 Plan, whose target measurement period comprised the period 2020-2022, has taken place. The incentive level for the Chairman and the Chief Executive Officer amounted to €795 thousand, corresponding to the relevant 29,704 shares valued as of 8 March 2023 for each of the executive directors. This number of shares delivered is equivalent to 63.88% of those initially granted.

The second grant of the 2020-2022 Plan expired in 2023, with a target measurement period of 2021-2023. The number of shares to be delivered in 2024 will be equivalent to 80% of the units granted in 2021:

2021 Grant	Weight	Degree of achievement of the targets			% Payout
		Minimum	Maximum	Actual	
Activity Cash flow	50%	≤€1,126 M	≥€1,932 M	€2,742 M	50%
Relative TSR*	50%	Position 10 to 18	Position 1 to 3	Position 8	30%
% aggregate payment					80%

* Comparison group: ACS, CCR, Granite, Atlantia, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA. Following Atlantia delisting on October 10th, 2022 (the day when the public takeover bid started) it is decided that it will be substituted by a mix of the three new peers included in the 2023-2025 Plan (Webuild, Tutor Perini y BIP) since that date.

The following long-term incentive plans were in force at the end of 2023:

- The second grant of the 2020-2022 Plan, whose target measurement period covers the period 2021-2023.
- The third grant of the 2020-2022 Plan, whose target measurement period covers the period 2022-2024.
- The first grant of the 2023-2025 Plan, whose target measurement period covers the period 2023-2025.

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 2023 financial year	Granted during the 2023 financial year	Consolidated during the 2023 financial year					Instruments expired and not exercised	At the end of the 2023 financial year	
			Plan	Grant	No. of Equivalent shares	No. of Equivalent shares	No. of Equivalent shares			No. of consolidated equivalent shares
Chairman	2020-2022	2020	46,500	--	29,704	29,704	26.773	795	16,796	--
		2021	67,500	--	--	--	--	--	--	67,500
		2022	56,400	--	--	--	--	--	--	56,400
	2023-2025	2023	--	50,680	--	--	--	--	--	50,680
Chief Executive Officer	2020-2022	2020	46,500	--	29,704	29,704	26.773	795	16,796	--
		2021	67,500	--	--	--	--	--	--	67,500
		2022	56,400	--	--	--	--	--	--	56,400
	2023-2025	2023	--	69,925	--	--	--	--	--	69,925

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 2019-2023 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 2023

Payment in kind

The Company has subscribed life assurance policies to cover the risk of death or incapacity of the Executive Directors. For 2023, the amount of the life insurance premium has risen to:

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

During 2023, the current Chief Executive Officer, Mr. Ignacio Madridejos, has been allocated the amount of €13 thousand as remuneration in kind corresponding to a company car, tax advice and relocation. In the case of the Chairman, €3 thousand as tax device.

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 (see 2.3.1).

The contributions made for this in 2023 amounted to €527 thousand, with the total accumulated at the closing date of this report amounting to €2,016 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 2023 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	2023	2022	2021	2020	2019
Fixed remuneration	1,500	1,500	1,500	1,405 ¹	1,455
Variable remuneration	2,809	2,609	2,275	1,620	1,608
Plans linked to shares	795	883	490	1,602	1,097
Others ²	13	10	9	8	8
Total	5,117	5,002	4,274	4,635	4,168

¹As 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.

²Life insurance premiums and other remuneration in kind.

Chief Executive Officer	2023	2022	2021	2020	2019¹
Fixed remuneration	1,313 ⁵	1,150	1,100	937 ²	250
Variable remuneration	1,926	1,538	1,283	810	250
Plans linked to shares	795	183	0	0	0
Other	18 ³	13 ³	12 ³	12 ³	600 ⁴
Total	4,052	2,884	2,395	1,759	1,100

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

²As 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.

³Life insurance premiums and other remuneration in kind.

⁴Incorporation bonuses.

⁵€1,150 thousand until 15 June and €1,450 thousand from 16 June onwards.

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 2023 for membership of the Board of Directors of the Company established in both Remuneration Policies in force during 2023 stands at €1,900 thousand.

- Fixed emolument: in 2023 amounted to a total of €420 thousand.
- Complementary fixed emolument (including also the remaining amount of €83 thousand): in 2023 amounted to a total of €716 thousand.
- Attendance fees: The Directors receive a fixed sum for attending Board of Directors meetings and for their delegated or advisory Committees.

In total, the amount of attendance fees paid in 2023 reached €764 thousand.

In accordance with the resolution of the Board of Directors of 14 June 2023, effective upon the completion of the merger between Ferrovial, S.A. and Ferrovial International SE (renamed Ferrovial SE), since the total remuneration of the Directors for that year did not reach the maximum annual amount established in the current Directors' Remuneration Policy, the difference (amounting to €83 thousand for the entire Board of Directors) was distributed as fixed remuneration to the Directors, taking into account their length of service on the Board in 2023.

Therefore, the total amount paid in 2023 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 2023 financial year:

Director (€ thousand)	Type of Director	Accrual period financial year	Board Fees	Board Attendance Fees	Other Benefits	Total
Mr. Rafael Del Pino y Calvo-Sotelo	Chairman - Executive Director	From 1/1/2023 to 31/12/2023	35	119	99	253
Mr. Oscar Fanjul Martín	Vice-Chairman - Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	86	87	208
Mr. Ignacio Madrideo Fernández	Chief Executive Officer - Executive Director	From 1/1/2023 to 31/12/2023	35	60	53	148
Ms. María Del Pino y Calvo-Sotelo	Non-Executive Director	From 1/1/2023 to 31/12/2023	35	57	53	145
Mr. José Fernando Sánchez-Junco Mans	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	66	53	154
Mr. Philip Bowman	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	55	53	143
Ms. Hanne Birgitte Breinbjerg Sørensen	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	47	53	135
Mr. Bruno Di Leo	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	55	53	143
Mr. Juan Hoyos Martinez De Irujo	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	60	53	148
Mr. Gonzalo Urquijo Fernández De Araoz	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	62	53	150
Ms. Hildegard Wortmann	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	42	53	130
Ms. Alicia Reyes Revuelta	Non-Executive Independent Director	From 1/1/2023 to 31/12/2023	35	55	53	143
TOTAL			420	764	716	1,900

Ratio of compensation of the top executive and the average employee

In 2023, the Chairman's total accrued remuneration amounted to €5,370 thousand (€5,117 thousand as Executive Director plus € 253 thousand as board fees), the average total accrued remuneration amounted to €46 thousand, and the ratio of these amounts is 117.

Ferrovial has 24,799 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, board fees, annual variable remuneration, share-linked plans and remuneration in kind).

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:

- The total remuneration of the Executive Directors is composed of different remuneration elements consisting mainly of:
 - Fixed elements to reward based on the level of responsibility of the position, the professional trajectory and market practice, national and international, of comparable companies.
 - Annual variable remuneration to reward the creation of value through the achievement of the financial and non-financial targets.
 - Long-term incentives aimed at rewarding the creation of sustainable shareholder value over the long term.
- Long-Term Incentive Plans form part of a multi-annual framework to guarantee that the evaluation process is based on the long-term results. 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.
- 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:

- 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 favors the taking into account of the risks associated with remuneration in the deliberations of the Committees and in their proposals to the Board.
- The accrual of variable remuneration only occurs after the date of preparation of the corresponding annual accounts.
- In the case of annual variable remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.
- Under circumstances where the objectives linked to variable remuneration are not met, the Executive Directors will only draw the fixed remuneration.

- There are no guaranteed variable remunerations.
- For Executive Directors, the long-term element has a weighting of approximately 35/40% of total remuneration in a maximum performance scenario.
- To reinforce executive directors' commitment to the long-term interests of the Company, the Remuneration Policy includes retention requirements and/or permanent holding of financial instruments.
- As explained in section 2.3.3. above, all variable remuneration is subject to a no-claims and clawback clause.
- Ferrovial has implemented a comprehensive risk management system called Ferrovial Risk Management ("FRM") which includes risks related to potential conflicts of interest. The operation of the FRM is described in detail in the Annual Corporate Governance Report.

In addition, article 10 of the board regulations, regarding risk management, is taken into account.

The remuneration 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 (of the CEO) implicitly include a performance evaluation of the assumption of risks and compliance with the policies established for these purposes. 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 2023 FINANCIAL YEAR

5.1. Procedures and bodies of the company involved in the remuneration policy

At least every four years, the Company will submit the Remuneration Policy to a vote by the General Meeting, upon a proposal of the Board following the recommendation of the Nomination and Remuneration Committee. It is the Company's policy to seek input from relevant stakeholders, including proxy advisors, in case significant changes to remuneration arrangements are proposed.

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 8.5.2 of the Articles of Association, the Board Rules 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:

- The applicable legal regulations.
- That established by Articles of Association and the Board Rules (Article 36).

- 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.
- 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.
- Market data. See, in this respect, section 2.2.

Likewise, the Nominations and Remunerations Committee, following the good governance practices and recommendations, uses reports prepared by independent external advisors. In 2023, WTW 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	Non-Executive Independent Director
Mr. José Fernando Sánchez-Junco Mans	Member	Non-Executive Independent Director
Ms. Hanne Sørensen	Member	Non-Executive Independent Director
Mr. Gonzalo Urquijo	Member	Non-Executive Independent Director

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 Mans	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.
- Verify the information about remuneration of the Directors and Senior Managers.
- 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.

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 2023 Financial Year

In the 2023 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. Bruno Di Leo	Chairman	4/4
Mr. José Fernando Sánchez-Junco Mans	Member	4/4
Ms. Hanne Sørensen	Member	3/4 ¹
Mr. Gonzalo Urquijo	Member	4/4

¹ 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 2023. It should be noted that the Company's remuneration policy has been verified throughout the year.

Quarter	Actions carried out
First Quarter 2023	<ul style="list-style-type: none"> Proposed Directors' Remuneration Policy and Annual Report on Directors' Remuneration 2022. Report on the maximum annual amount of Directors' remuneration in their capacity as such for the 2023 financial year established in the Remuneration Policy approved at the 2023 General Meeting, and the system for distributing this amount among the Directors. Report on the fixed remuneration for the 2023 financial year for the Executive Directors, and review of the fixed remuneration of the Management Committee. Proposal for variable annual remuneration for 2022 payable in 2023 to the Executive Directors and review of that of the Management Committee. Revision of: (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. Report on the allocation of units of the first grant of the 2023-2025 Long-Term Incentive Plan to the Executive Directors and review of the allocation of units to the members of the Management Committee. Compliance with the metrics to which the first grant of the 2020-2022 Long-Term Incentive Plan is linked and proposal of the aggregate pay-out ratio to determine the number of shares to be delivered. Closing of remuneration of the Directors in their capacity as such corresponding to the 2022 financial year. Composition of the Board of Directors and its Committees and review the category attributed to each of the Directors. Competencies required by the Board of Directors. Long-Term Incentive Plans – Atlantia Analysis TSR.

Second Quarter 2023	<ul style="list-style-type: none"> • Involvement in the annual assessment of the Board and its Committees carried out with an external adviser (KPMG). • Verification of the information on the remuneration of the Directors and senior management contained in the corporate documents and checked the observance of the Company's remuneration policy. • 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. • Report on nominations to Board of Directors in Ferrovial Group companies. • Report on engagement.
Third Quarter 2023	<ul style="list-style-type: none"> • Report on nominations to Boards of Directors in Ferrovial Group companies. • Verification of the Directors' Composition Policy. • Diversity and Inclusion Policy. • Report on Diversity, Equity and Inclusion. • Report on talent management.
Fourth Quarter 2023	<ul style="list-style-type: none"> • Determination of independence of Directors and Committee members. • Policy for recovery of erroneously awarded compensation (Clawback Policy). • Report about a new global anti-discrimination and anti-harassment Policy. • Report on the succession plan for the Chairman, Chief Executive Officer, senior management and other management positions. • Report on the operation of the Committee.

In 2024, up to the date of approval of this report, the same activities have been carried out as in 2023, review and proposal of the remuneration plans for the Executive Directors to be submitted to vote at the 2024 General Shareholders' Meeting.

5.4. Other Information of Interest

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 2023 for the aforementioned insurance amounts to €1,073 thousand.



6. SUMMARY TOTAL REMUNERATION TABLES

6.1. Total Remuneration of Executive Directors (in € thousand)

Director	Financial Year	Base Salary	Other Benefits	Board Fees	Board Attendance Fees	Perquisites	Total Fixed	% Fixed	Annual Variable Remuneration	Long-Term Incentive Plan	Total Variable	% Variable	Total Remuneration
Mr. Rafael del Pino y Calvo-Sotelo	2023	1,500	99	35	119	13	1,766	33%	2,809	795	3,604	67%	5,370
	2022	1,500	107	35	103	10	1,755	33%	2,609	883	3,492	67%	5,247
	2021	1,500	92	35	122	9	1,758	39%	2,275	490	2,765	61%	4,523
	2020	1,405	86	33	122	8	1,654	34%	1,620	1,602	3,222	66%	4,876
	2019	1,455	74	35	143	8	1,715	39%	1,608	1,097	2,705	61%	4,420
Mr. Ignacio Madridejos Fernández ¹	2023	1,313	53	35	60	18	1,479	35%	1,926	795	2,721	65%	4,200
	2022	1,150	61	35	51	13	1,310	43%	1,538	183	1,721	57%	3,031
	2021	1,100	46	35	61	12	1,254	49%	1,283	-	1,283	51%	2,537
	2020	937	43	33	61	12	1,086	57%	810	-	810	43%	1,896
	2019	250	609	9	14	-	882	78%	250	-	250	22%	1,132

¹Mr. Ignacio Madridejos Fernández 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.

6.2. Total Remuneration of Non-Executive Directors (in € thousand)

Director	Financial Year	Board Fees	Board Attendance Fees	Other Benefits	Total Remuneration
Mr. Óscar Fanjul Martín	2023	35	86	87	208
	2022	35	73	96	204
	2021	35	83	81	199
	2020	33	83	70	186
	2019	35	80	37	152
Ms. María del Pino y Calvo-Sotelo	2023	35	57	53	145
	2022	35	51	61	147
	2021	35	61	46	142
	2020	33	61	43	137
	2019	35	72	37	144
Mr. José Fernando Sánchez-Junco Mans	2023	35	66	53	154
	2022	35	58	61	154
	2021	35	76	46	157
	2020	33	81	43	157
	2019	35	89	37	161

Mr. Philip Bowman	2023	35	55	53	143
	2022	35	47	61	143
	2021	35	59	46	140
	2020	33	59	43	135
	2019	35	59	37	131
Ms. Hanne Birgitte Breinbjerg Sørensen	2023	35	47	53	135
	2022	35	41	61	137
	2021	35	50	46	131
	2020	33	56	43	132
	2019	35	58	37	130
Mr. Bruno Di Leo	2023	35	55	53	143
	2022	35	49	61	145
	2021	35	58	46	139
	2020	33	58	43	134
	2019	35	54	37	126
Mr. Juan Hoyos Martínez De Irujo	2023	35	60	53	148
	2022	35	51	61	147
	2021	35	61	46	142
	2020	33	61	43	137
	2019	9	12	9	30
Mr. Gonzalo Urquijo Fernández De Araoz	2023	35	62	53	150
	2022	35	54	61	150
	2021	35	59	46	140
	2020	33	59	43	135
	2019	1	-	1	2
Ms. Hildegard Wortmann ¹	2023	35	42	53	130
	2022	35	36	61	132
	2021	23	36	30	89
Ms. Alicia Reyes Revuelta ¹	2023	35	55	53	143
	2022	35	47	61	143
	2021	23	36	30	89

¹Appointed as Non-Executive Directors in May 2021.

6.3. Relationship Between Directors' Total Remuneration, Company Performance and Pay Ratio

The data reported in the following table for the years 2019 to 2022 are those reported in the Annual Directors' Remuneration Reports corresponding to each fiscal year and in accordance with the Spanish legal requirements (perquisites not included in totals).

		2023	Change (in %)	2022	Change (in %)	2021	Change (in %)	2020	Change (in %)	2019
Executive Directors Total Remuneration (€ thousand)	Mr. Rafael Del Pino Y Calvo-Sotelo ¹	5,370	2.54	5,237	16.02	4,514	-7.27	4,868	10.34	4,412
	Mr. Ignacio Madríguez Fernández ²	4,200	39.17	3,018	19.52	2,525	34.02	1,884	66.43	1,132
	Mr. Oscar Fanjul Martín	208	1.96	204	2.51	199	6.99	186	22.37	152
	Ms. María Del Pino Y Calvo-Sotelo	145	-1.36	147	3.52	142	3.65	137	-4.86	144
	Mr. José Fernando Sánchez-Junco Mans	154	0	154	-1.91	157	0	157	-2.48	161
Non-Executive Directors Total Remuneration (€ thousand)	Mr. Philip Bowman	143	0	143	2.14	140	3.70	135	3.05	131
	Ms. Hanne Birgitte Breinbjerg Sørensen	135	-1.46	137	4.58	131	-0.76	132	1.54	130
	Mr. Bruno Di Leo	143	-1.38	145	4.32	139	3.73	134	6.35	126
	Mr. Juan Hoyos Martínez De Irujo ³	148	0.68	147	3.52	142	3.65	137	356.67	30
	Mr. Gonzalo Urquijo Fernández De Araoz	150	0	150	7.14	140	3.70	135	n.s.	2
	Ms. Hildegard Wortmann ⁴	130	-1.52	132	48.31	89	-	0	-	0
	Ms. Alicia Reyes Revuelta ⁵	143	0	143	60.67	89	-	0	-	0
Company Performance	Total Shareholder Return (%)	38.4								
	Total Revenue (€ million)	8,514								
	Consolidated results of the Company (€ million) ⁶	656	144.78	268	-72.26	966	-	-427	-	504
Remuneration of Employees	Average (€ thousand) ⁷	46	4.55	44	46.67	30	-6.25	32	-8.57	35
Pay Ratio	Chairman Pay Vs. Average Remuneration of employees ⁸	117								

¹The variations in the Chairman's accrued remuneration have been derived from the different fulfillment of the metrics of the remuneration at risk of the Chairman both in the short and long term.

²Remuneration in 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.

³Remuneration 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.

⁴Remuneration 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.

⁵Remuneration 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.

⁶"CONSOLIDATED PROFIT BEFORE TAXES" data provided in the Integrated Annual Reports.

⁷"SALARIES AND WAGES 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.

⁸Ratio between (i) the total annual remuneration of the Chairman and (ii) the average annual remuneration of the employees of the company, whereby:

- The total remuneration of the Chairman includes all remuneration components (such as fixed remuneration, board fees, annual variable remuneration, share-linked plans and remuneration in kind).
- The average annual remuneration of employees is determined by dividing the salaries and wages account by the average number of employees.

6.4. Total remuneration of senior management

As well as Executive Directors, the members of the Senior Management of the Company have a remuneration package composed of their fixed and variable remuneration (annual and long-term), as well as other remuneration items. For the year 2023, they have jointly accrued the following remuneration:

Senior Management Remuneration (in € thousand)	2023	2022
Fixed remuneration	5,094	4,755
Variable remuneration	5,534	4,822
Share Plan linked to objectives	1,934	1,629
Other ¹	585	51
Other ²	486	0
TOTAL	13,633	11,257

¹Life insurance premiums/Council membership in other subsidiaries/Expatriates' payments.

²Separation of members of the Non-Management Committee in 2023 (amount subject to income tax).

*The Senior Management average remuneration is not broken down by gender in order to keep it confidential, given that there is only two women in this group.