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DIRECTORS' REMUNERATION POLICY

PREAMBLE

The Ordinary General Shareholders' Meeting of Ferrovial, S.A. (the "Company") approved at its meeting of 17 April 2020, under item nine of its agenda, the remuneration policy for the Company's Directors (the "Remuneration Policy") for the financial years 2020 to 2022.

The Board of Directors (the "Board") and, specifically, the Nomination and Remuneration Committee (the "Committee") have analysed the information they receive from the consultations that the Company periodically carries out with its shareholders and proxy advisors. In light of the conclusions obtained, the Board has agreed to submit a new Remuneration Policy to the General Shareholders' Meeting.

This new Policy, although it continues the current policy, introduces aspects that improve the degree of alignment with the Company's shareholders and its directors, the requirements of the proxy advisors and the best corporate governance practices at national and international level.

The Nomination and Remuneration Committee has also taken into consideration the economic environment, the strategic priorities of the Ferrovial Group and legal requirements.

In compliance with article 529 novodecies.2 of the Capital Companies Act, the proposal of the Directors' remuneration policy will be reasoned and must be accompanied by a specific report from the Committee.

Likewise, and as required by the same legal provision, the report and the remuneration policy are made available to shareholders on the Company's website from the time the General Shareholders' Meeting is called, who may also request that they be delivered or sent free of charge.

The main changes proposed to this remuneration policy and the rationale for them are summarised below.

NEW REMUNERATION POLICY: PROPOSED CHANGES AND REASON

PRINCIPLES AND PRACTICES

	Current policy	Proposed New Policy	Reason
Principle: creation of long-term value	Creation of long-term value, aligning the remuneration systems with the strategic plan.	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.	To strengthen the fundamentals of the Remuneration Policy to consider all stakeholders, particularly shareholders.

FIXED REMUNERATION

	Current policy	Proposed New Policy	Reason
Fixed Rem. of Chief Executive Officer	€ 1,000,000	€ 1,100,000	Value of contribution of the position and the person and adaption to the market.

SHORT TERM INCENTIVE

	Current policy	Proposed New Policy	Reason
Obj. weight	Quantitative objectives have a weight of at least 60% and qualitative objectives have a weight of a maximum of 40%.	Quantitative objectives have a weight of at least 70% and qualitative objectives have a weight of a maximum of 30%.	Reinforce the remuneration system with the business strategy.

LONG-TERM VARIABLE REMUNERATION

	Current policy	Proposed New Policy	Reason
Long-term Variable Remuneration Targets	Economic-financial and operational targets in the strategic plan, as well as value creation targets for the shareholders.	Economic-financial and operational targets in the strategic plan, as well as creation of value targets for shareholders. Targets relating to environmental, social and corporate governance (ESG) factors may be included.	To align our remuneration system with our sustainability strategy. To strengthen alignment with market practices and corporate governance standards.
Share dilution	This may include delivery of shares, share options or remunerative entitlements linked to the value of the same, under the condition of compliance with certain metrics linked to the strategic plan, as well as value creation targets for shareholders, so complying with the recommendation to defer a part of the variable components.	It may include the delivery of shares, share options or remuneration rights linked to the value of the shares, subject to compliance with certain metrics linked to the strategic plan and shareholder value creation objectives, thereby complying with the recommendation to defer part of the variable components, with a limit of 3% of share capital in any period of 10 consecutive years.	To guarantee that potential share dilution to current shareholders is reasonable.

WITHHOLDING AND HOLDING OF SHARES			
	Current policy	Proposed New Policy	Reason
Holding of shares	Withholding of attributed shares corresponding to remuneration systems for an amount equivalent to 2 annuities of fixed remuneration and for 3 years since allocation.	Withholding of attributed shares corresponding to remuneration systems for an amount equivalent to 2 annuities of fixed remuneration for 3 years, unless the Director has 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.	To improve alignment between executive directors and shareholders. To strengthen alignment with corporate governance recommendations.
MALUS AND CLAWBACK CLAUSES			
	Current policy	Proposed New Policy	Reason
Reduction and clawback clauses	The contractual agreements of the Executive Directors allow the reimbursement of remuneration to be claimed when it has been paid on the basis of data that is subsequently proven to be inaccurate.	The contractual agreements of the Executive Directors include a clause that allows the return of up to 100% of the variable remuneration paid in a given year to be returned 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 on the basis of inaccurate data, causing a significant negative effect on the Company's profit and loss accounts for that period.	To strengthen alignment with corporate governance recommendations.
POLICY FOR NEW APPOINTMENTS			
	Current policy	Proposed New Policy	Reason
Special incentives for hiring an external candidate	An equivalence of economic expectation and expectation of compliance will be established to determine these special incentives.	An equivalence of economic expectation and performance expectation will be established to determine these special incentives, but the following principles must be followed: i) Payment in shares, ii) The granting of these shares should be over 3 years, iii) Payment linked to the achievement of performance metrics and iv) Detailed explanation in the Annual Remuneration Report.	Pay for performance. To strengthen alignment with corporate governance recommendations.

Likewise, the maximum amount of remuneration in kind has been established in € 50,000, instead of 30% of total remuneration described in the Directors' Remuneration Policy currently in force.

INTRODUCTION

This document describes the Ferrovial, S.A. Directors' Remuneration Policy (hereinafter, "Remuneration Policy") submitted for approval to the General Shareholders' Meeting, which determines the remuneration of Executive Directors, the remuneration of Directors in their capacity as such and other considerations for establishing the remuneration of the Board of Directors.

This new Policy, although it continues the current policy, introduces aspects that improve the degree of alignment with the Company's shareholders and its directors, the requirements of the proxy advisors and the best corporate governance practices at national and international level. The Nomination and Remuneration Committee has also taken into consideration the economic environment, the strategic priorities of the Ferrovial Group and legal requirements.

The Nomination and Remuneration Committee has been advised by independent external advisors to prepare the Remunerations Policy (Willis Towers Watson and Georgeson).

The system of remuneration for the Directors of the Company is envisaged in articles 56 of the Bylaws and 33 of the Regulations of the Board of Directors of the Company. The following pages detail the different elements that make up the Remuneration for the Board of Directors.

VALIDITY OF THE REMUNERATIONS POLICY

Ferrovial's Board of Directors, at the proposal of the Nomination and Remuneration Committee, will submit this proposed Remuneration Policy for approval by the Ordinary General Shareholders' Meeting in 2021, which will come into force and will void the Policy currently in force from the date of approval of General Shareholders' Meeting and will remain in force until the third anniversary of such date. The Board of Directors may submit a new remuneration policy for approval at an earlier date if deemed appropriate.



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1. PRINCIPLES

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 shareholders.

In view of the above, the Remuneration Policy has 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 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

These principles are embodied in practices that reflect the sound governance of our Remuneration Policy:

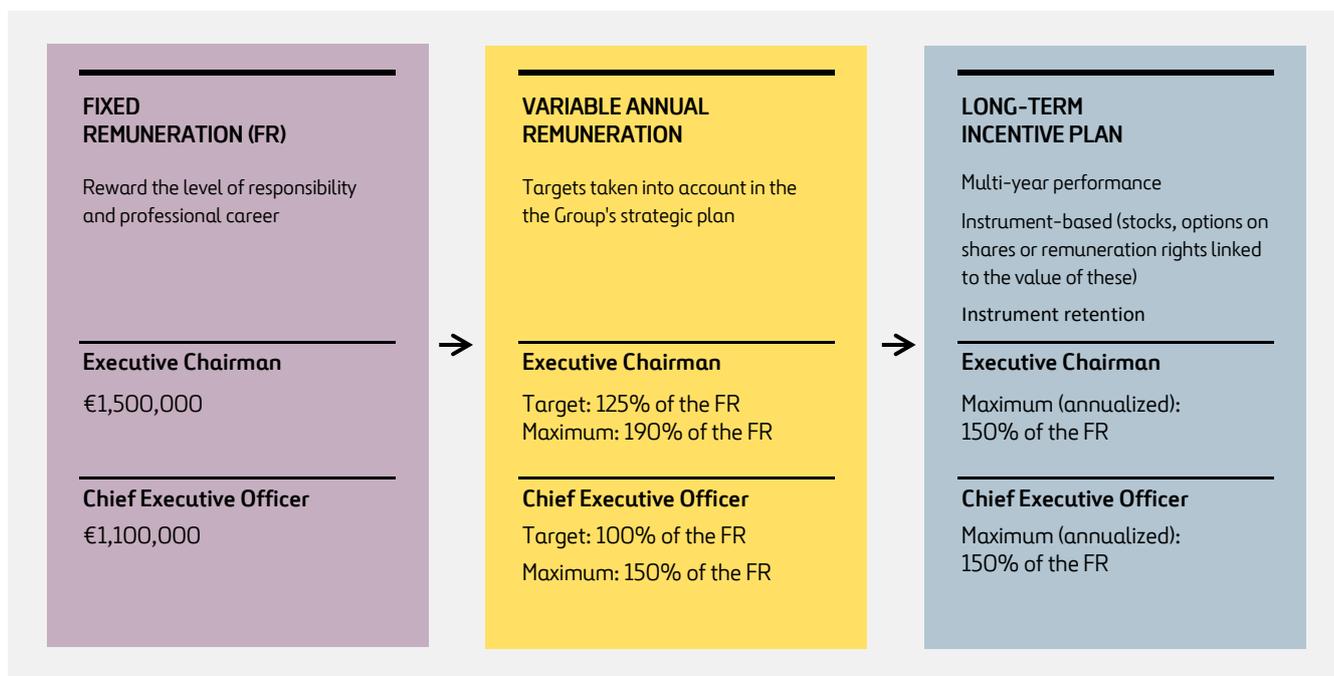
We adopt sound compensation practices	We avoid poor pay practices
Executive Directors	
Link the payment of remuneration to the results of the Company (<i>pay for performance</i>)	There are no compensation clauses for the extinction of the relationship with the Chairman
Payment of part of the remuneration in shares and/or 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	
Directors in their standing 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. REMUNERATION OF THE EXECUTIVE DIRECTORS

2.1. REMUNERATION ELEMENTS

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) a variable short-term remuneration and (iii) a variable long-term remuneration.



In addition, Executive Directors may be beneficiaries of remuneration in kind. The details are described in section 2.3. On the other hand, the Chief Executive Officer participates 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 details are described in section 2.3.

2.2. REMUNERATIVE MIX

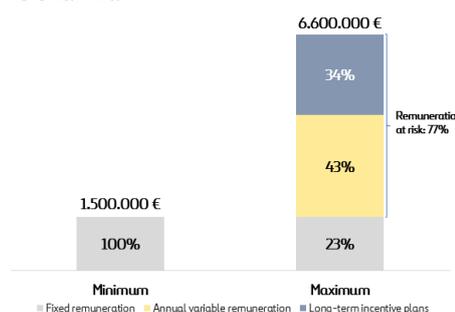
The Remuneration Policy establishes an appropriate balance between the fixed and variable components of remuneration. In this regard, most of our Executive Directors' remuneration is variable, "at risk" and linked to results.

The graph shows examples of the potential future total remuneration level, as well as the remuneration mix for a minimum and maximum target achievement scenario for each Executive Director.

REMUNERATION ELEMENT	Scenario	Description
FIXED REMUNERATION	All scenarios	
VARIABLE ANNUAL REMUNERATION	Minimum	No incentive would be paid
	Maximum	Chairman: 190% of the RF Chief Executive Officer: 150% of the RF
LONG-TERM INCENTIVE PLAN (LTI)¹	Minimum	No incentive would be paid
	Maximum	The maximum LTI would be accrued: 150% of the RF

¹ The Long-Term Incentive reflects the value at the initial grant date price. The potential revaluation of the share during the period of measurement of targets to which the delivery of the shares is linked is not taken into account.

Executive Chairman



Chief Executive Officer



2.3. FIXED ELEMENTS

<p>FIXED REMUNERATION</p> <p>To reward upon the basis of level of responsibility and professional background</p>	<p>IMPLEMENTATION</p> <p>This is determined by taking into account the remit of the executive duties associated to the post and comparative remuneration information for listed companies similar to the Company. It is paid monthly.</p> <p>Remuneration will remain fixed for the duration of this Remuneration Policy.</p> <p>AMOUNT</p> <p>Chairman: €1,500,000</p> <p>Chief Executive Officer: €1,100,000</p>
<p>REMUNERATION IN KIND</p> <p>To offer a competitive compensation package</p>	<p>IMPLEMENTATION</p> <p>In line with the policy established 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 beneficiaries. In addition, Executive Directors are eligible for other social benefits such as company car, medical insurance, life and accident insurance, liability insurance and other non-material benefits.</p> <p>The Executive Directors may allocate part of their annual gross fixed remuneration to obtaining some of the products or services offered by the Company as part of the flexible remuneration plan.</p> <p>MAXIMUM AMOUNT</p> <p>Chairman: € 50,000.</p> <p>Chief Executive Officer: € 50,000.</p>
<p>LONG-TERM SAVINGS SYSTEMS</p> <p>Very long-term allegiance</p>	<p>IMPLEMENTATION</p> <p>Extraordinary deferred remuneration that will only become effective when the Director leaves the Company by mutual agreement with the Company on reaching a certain age, and therefore there are no consolidated rights.</p> <p>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.</p> <p>50% of the benefit, if any, received by the director on termination shall be subject to a 2-year post-contractual non-competition agreement entered into between the director and the Company.</p> <p>The right to receive the extraordinary remuneration shall be incompatible with the payment of any compensation that the director may be entitled to receive as a result of the termination of their relationship with the Company.</p> <p>MAXIMUM AMOUNT</p> <p>Chairman: Not applicable.</p> <p>Chief Executive Officer: 20% of the total annual remuneration (fixed remuneration plus annual variable remuneration target of 100%). This concept only applies to the Chief Executive Officer.</p>
<p>REMUNERATION FOR BOARD MEMBERSHIP AND ATTENDANCE AT MEETINGS</p> <p>To reward dedication to the Board and its Committees</p>	<p>IMPLEMENTATION</p> <p>In accordance with the remuneration system for Directors in their capacity as such, which is detailed below.</p> <p>MAXIMUM AMOUNT</p> <p>The maximum annual amount is established in accordance with that approved by the General Shareholders' Meeting.</p>

2.4. VARIABLE ELEMENTS

<p>VARIABLE ANNUAL REMUNERATION</p> <p>To reward the creation of value through the attainment of targets envisaged in the strategic plans for the Group</p>	IMPLEMENTATION										
	<p>Executive Directors participate in the Group's general annual variable remuneration system.</p> <p>Once the year has finished, the Board of Directors, at the proposal of the Nomination and Remuneration Committee, determines the variable remuneration accrued during the financial year upon the basis of the degree of compliance with the quantitative and qualitative targets. For the purpose of guaranteeing that the annual variable remuneration bears a real relationship to the professional performance of the beneficiaries, when it comes to determining the degree of compliance with the targets of a quantitative nature, those extraordinary results which could introduce distortions into the evaluation criteria are excluded, the notional like-for-like result being taken. In accordance with Recommendation 59 of the Code of Good Governance, the verification of the payment of the variable components shall be detailed in the Annual Directors' Remuneration Report.</p> <p>The Variable Annual 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.</p> <p>The Nomination and Remuneration Committee may propose adjustments to the variable remuneration to the Board, under exceptional circumstances due to internal or external factors. The details of these adjustments would be broken down in the corresponding remuneration report. The remuneration related to the results of the Company shall take into account any qualifications recorded in the report of the external auditor which might impair the cited results.</p>										
	AMOUNT										
	<p>This is determined by taking into account the remit of the executive duties associated to the post and comparative remuneration information for listed companies similar to the Company</p> <table border="1"> <thead> <tr> <th></th> <th>TARGET</th> <th>MAXIMUM</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>125% of fixed remuneration</td> <td>190% of fixed remuneration</td> </tr> <tr> <td>Chief Executive Officer</td> <td>100% of fixed remuneration</td> <td>150% of fixed remuneration</td> </tr> </tbody> </table>			TARGET	MAXIMUM	Chairman	125% of fixed remuneration	190% of fixed remuneration	Chief Executive Officer	100% of fixed remuneration	150% of fixed remuneration
		TARGET	MAXIMUM								
Chairman	125% of fixed remuneration	190% of fixed remuneration									
Chief Executive Officer	100% of fixed remuneration	150% of fixed remuneration									
TARGETS											
<p>Annual variable remuneration is linked to individual performance and to the achievement of specific, predetermined, quantifiable economic-financial, industrial and operational targets that are quantified and aligned with the Company's interests, as set out in the Company's strategic plans. This is without prejudice to the possibility of weighing up other targets, particularly in the area of corporate governance and corporate social responsibility, which may be of a quantitative or qualitative nature.</p> <p>The quantitative targets shall have a minimum weight of 70% within the entire incentive. They are made up of metrics which guarantee an appropriate balance between the financial and operational aspects of management of the Company.</p> <p>The qualitative targets and those relating to environmental, social and corporate governance (ESG) factors have a maximum weight of 30% in the overall incentive. These are principally linked to the evaluation of the individual performance of the Executive Directors.</p>											

<p>LONG- TERM VARIABLE REMUNERATION</p> <p>To reward the creation of sustainable value for the shareholder in the long term</p>	IMPLEMENTATION	
	<p>It may include the delivery of shares, share options or remuneration rights linked to the value of the shares, subject to compliance with certain metrics linked to the strategic plan and shareholder value creation objectives, thereby complying with the recommendation to defer part of the variable components, with a limit of 3% of share capital in any period of 10 consecutive years.</p>	
	MAXIMUM AMOUNT	
	<p>The value at the date of concession may reach a maximum of 150% of the Fixed Remuneration</p>	
	TARGETS	
<p>Economic-financial and operational targets in the strategic plan, as well as value creation targets for the shareholders. Targets relating to environmental, social and corporate governance (ESG) factors may be included. Some of the metrics may be measured in a relative way with respect to a comparison group made up of competitor companies.</p> <p>Total shareholder return metrics will have a minimum weight of 30%.</p>		
PLANS SET OUT IN PREVIOUS REMUNERATION POLICIES		
<p>The Executive Directors are beneficiaries of share award plans approved at the 2019 and 2020 General Shareholders' Meetings Payments under these Plans may be made during the term of this compensation policy.</p>		

2.5. SHARE HOLDING 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. 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.

2.6. MALUS AND CLAWBACK CLAUSES

In relation 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 highlight:

- 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 becomes apparent and accredited (as provided in the clause, if applicable) that the payment was made, in whole or in part, on the basis of inaccurate data, if such inaccuracy has caused a material adverse effect on the Company's income statement for any of the years in that 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.

2.7. ADVANCES, CREDITS AND GUARANTEES

The Company's policy does not envisage the concession of credits, advances or any other type of guarantee to the Executive Directors.

2.8. CONTRACTUAL CONDITIONS

	IMPLEMENTATION
DURATION	The contracts of the Executive Directors are of indefinite duration.
NOTICE PERIOD	In the case of the Chief Executive Officer, in the event of termination for causes attributable to the Company, the latter must give notice of termination 3 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 notice period remaining.
TERMINATION OF EMPLOYMENT, SEVERANCE PAY AND CONTRACT TERMINATIONS	Chairman: the termination of your contract for any reason whatsoever shall not entitle them to any compensation. Chief Executive Officer: 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 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 cases of termination provided for, they will be entitled to receive the gross compensation equal to the greater of the following 2 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 annuities of the total annual remuneration.
EXCLUSIVITY	The contracts held by the Executive Directors include the obligation to provide services exclusively to the Company, the Director not being permitted to sign contracts with other competitor companies of Ferrovial in their own name, nor through intervening persons, whether these are family members are not, which might entail effective competition with the activities of Ferrovial.
POST-CONTRACTUAL NON-COMPETITION	The contracts of the Executive Directors include a post-contractual non-competition obligation for a period of 2 years. In the case of the Chairman, the non-competition clause shall be remunerated with 2 annuities of their fixed remuneration at the time of termination. In the case of the Chief Executive Officer, 50% of the remuneration to be received in the event of termination shall be subject to compliance with the 2-year post-contractual non-competition agreement.
COMPATIBILITY WITH OTHER POSTS	The contracts signed with the Executive Directors declare their employment relationship compatible with the performance of other representative, administrative and management positions, and with other professional situations that may be attended to in other companies of the Group, or outside it, with the due authorisation of the Group.

3. REMUNERATION OF DIRECTORS IN THEIR CAPACITY AS SUCH

The maximum amount of annual remuneration for all directors for their membership of the Board of Directors of the Company and its committees is set at €1,847,798.15, the same amount since 2019. The remuneration consists of the following remuneration elements:

	AMOUNT	PURPOSE	IMPLEMENTATION
FIXED EMOLUMENT	€35,000	Appropriate remuneration for the responsibility and dedication demanded by the post, but without reaching levels which compromise the independence of the Director.	Paid on a quarterly basis
ATTENDANCE FEES	Board: €6,000 Executive C.: €2,200 Audit and Control C.: €2,200 Nomination and Remuneration C.: €1,650	Remuneration for effective attendance at meetings of the Board and its Committees.	Paid on a quarterly basis. The amount of the attendance fees corresponding to the Chairmen of those bodies stands at twice the amounts established, in line with the remuneration principle of reward upon the basis of the level of responsibility and the dedication that the position demands.
COMPLEMENTARY FIXED EMOLUMENT	Chairman of the Board: €92,000 1st Vice-Chairman: €80,500 Second Vice-Chairman: €57,500 Other members of the Board: €46,000 The amount of the allowances 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.	To offer competitive remuneration.	Paid in a single sum once the financial year is over. If, as a result of a higher number of meetings than initially planned or for any other reason, the amount of the attendance fees added to that of the fixed components were higher than the maximum annual amount established by the General Shareholders' Meeting, the difference shall be proportionally deducted from the amount of the complementary fixed allowance to each Director according to their condition. If the maximum annual amount is not reached, the Board shall decide in accordance with the powers granted to it.
OTHER REMUNERATION	The Company's Directors, except for Executive Directors, who are also members of the governing bodies of other companies in the group, may receive the statutory remuneration that corresponds to them for belonging to these administrative bodies. This is subject, where applicable, to the provisions of the Capital Companies Act.		
NON-COMPETITION	In accordance with the Regulations of the Board of Directors, a Director who ceases to hold such status may not provide services to a company in effective competition with the Company and its subsidiaries for a period of 2 years, provided that such services are of special significance in relation to the activities in which they effectively compete with the Company and its subsidiaries. Nor may they be a director of the same for a period of 2 years following their separation from the Board. These prohibitions may be waived by the Board of Directors.		
LIMITS	The maximum annual amount is established in accordance with that approved by the General Shareholders' Meeting.		

The aforementioned amounts may be modified each year within the framework of Article 56 of the Bylaws and within the maximum amounts approved by the General Shareholders' Meeting.

The remuneration of the Directors in their standing as such does not take into account the concession of credits, advances or

guarantees. Nor is any participation by Directors envisaged in systems of social provision, compensation for the termination of their connection to the Company, nor indeed is any additional remuneration granted other than that indicated above.

4. REMUNERATION POLICY FOR NEW APPOINTMENTS

When determining the compensation package for a new Executive Director, the Nomination and Remuneration Committee shall consider the experience and knowledge of the selected candidate, their provenance (internal or external to the Ferrovial group) and their level of remuneration at the moment of appointment. Once the Committee has defined its proposal, this must be approved by the Board of Directors.

The policy for Executive Directors described above defines the elements which would be considered in building the remuneration package for a new Executive Director. The Nomination and Remuneration Committee shall determine, at the time of appointment, the time necessary for it to comply with the share holding requirement established in this Remuneration Policy.

To facilitate the contracting of an external candidate, the Nomination and Remuneration Committee may propose a special incentive to compensate for the loss of incentives not accrued at the former company because of their recruitment by the Company. For the determination of these special incentives, an equivalence of economic expectation and performance expectation will be established, but the following principles must be followed:

- Payment in shares.
- The granting of these shares should be in 3 years.
- Payment tied to achievement of performance metrics.
- Detailed explanation in the Annual Directors' Remuneration Report.

The Nomination and Remunerations Committee has the discretion to modify some of the above principles in exceptional cases, with the approval of the Board of Directors and full explanation in the Annual Remuneration Report.

For internal promotions, the Nomination and Remuneration Committee may cancel and/or compensate for pre-existing incentives and other obligations which may have been in place at the moment of appointment.



5. CONSIDERATIONS WHEN DETERMINING THE REMUNERATION POLICY

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 the competent body for its approval, in accordance with article 22.2.d) of the Articles of Association and current legislation.

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

- i. The applicable legal regulations.
- ii. What is established in the Bylaws and Regulations of the Board of Directors for the Company:

Article 56 of the Bylaws establishes that the members of the Board of Directors shall receive, in their capacity as such, statutory remuneration, the maximum annual amount of which shall be determined by the General Shareholders' Meeting.

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

- Any remuneration that is paid to Directors for exercising or terminating their position and for performing their executive duties, will be in line with the remuneration policy for Directors that is applicable at all times, except for the remunerations that have been expressly approved by the General Shareholders' 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 Shareholders' Meeting.

In addition to the foregoing, Article 9.3 of the Regulations of the Board of Directors also states that the Board shall prepare an annual report on the remuneration of its Directors, 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 strategic plan, which allow, among other things, for metrics to be established with which annual variable and long-term remuneration is associated.
- v. Market information.

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.

5.2. DUTIES OF THE NOMINATION AND REMUNERATION COMMITTEE

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.
- Analyse the process that allows the succession ordered by the Chairman and the CEO.
- Report on the appointment and removal of those managers who are directly responsible to the CEO.
- Propose and periodically review the system and amount of annual remuneration of Directors.
- Propose the basic conditions of the contracts of the Senior Managers.
- Check that the remuneration policy established by the Company is observed.

- 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.
- Verify the information about remuneration of the Directors and Senior Managers contained in the different corporate documents, including the annual report on Directors' remuneration.
- Make proposals to the Board of Directors regarding the remuneration policy for directors and managing directors or those who perform their senior management duties reporting directly to the Board, or to the Executive Committee or the CEOs, as the case may be, as well as the individual remuneration and other contractual conditions of the executive directors, ensuring that they are observed.

5.3. STAKEHOLDER INTERESTS

The Nomination and Remuneration Committee has taken into consideration the requirements of institutional investors, as well as the policies and demands of the main proxy advisors, in order to align itself with the best market practices and respond to the demands of the different stakeholders.

5.4. REMUNERATION CONDITIONS FOR EMPLOYEES AS A WHOLE

While our Remuneration Policy follows the same fundamental principles across the group, the remuneration packages offered to employees reflect differences depending on market practice, role and experience.

The elements of the Executive Directors' remuneration package are essentially the same as those of the Group's executives with differences as to their magnitude.

5.5. MARKET CONDITIONS

In preparing this new Remuneration Policy, Ferrovial has taken into consideration the relative positioning of the remuneration of Ferrovial's Directors with respect to the reference market and information on market practices and trends. Details of this type of analysis, as well as the companies considered within the comparison group, are included in the Annual Report on Directors' Remuneration, specifically in section 2.2. relative to "Comparable companies used to determine the Remuneration Policy".

Regarding the Executive Directors, the definition of the reference market may take into account the following criteria, among others:

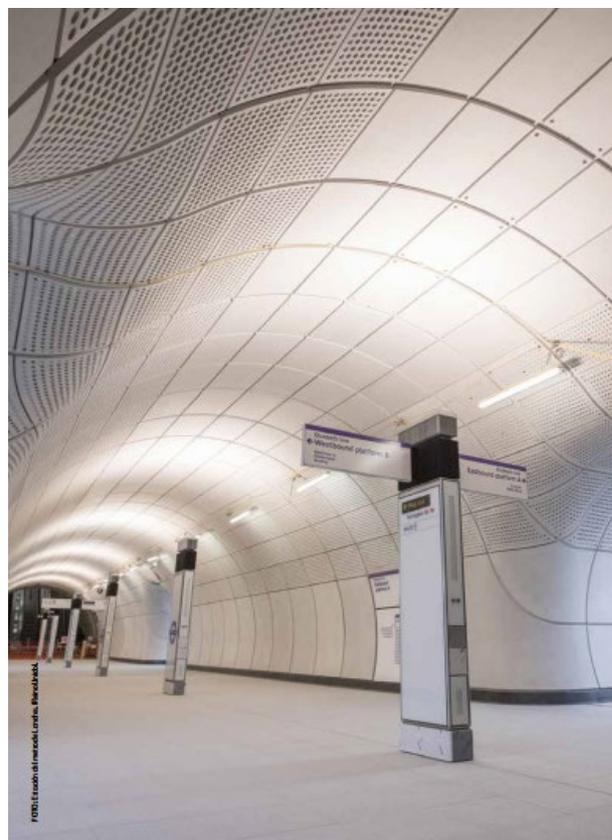
- i) sufficient number of companies to obtain representative and statistically reliable and sound results;
- ii) dimension data: turnover, market capitalization, assets, number of employees and geographic scope;
- iii) area of responsibility: companies mainly listed in Ibx-35 and multinationals in the sector; and
- iv) sectoral distribution: with relevant weight of the sectors where Ferrovial operates.

Consistency with the established comparison group will also be considered to measure the Total Shareholder Return, if applicable.

Regarding the Directors in their capacity as such, Ibx-35 companies may also be considered.

5.6. EXTERNAL ADVICE

In preparing the Remuneration Policy, the Nomination and Remuneration Committee was advised by Willis Towers Watson and Georgeson, independent external advisors, on various remuneration matters.



6. CONSIDERATION OF THE RISKS ASSOCIATED WITH THE REMUNERATION

Our remuneration policy is designed with the long-term strategy and performance of the Company in mind:

- a. 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, they are overlapping cycles that as a general rule are linked in time maintaining a permanent focus on the long-term concept in all decisions.
- b. Once the shares of the Long-Term Incentive Plans have been allocated, 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.
- c. For Executive Directors, the long-term element has a weighting of approximately 35/40% of total remuneration in a maximum performance scenario (fixed remuneration annual variable remuneration long-term incentive at grant value).
- d. The variable components of the remuneration have sufficient flexibility to allow their modulation to the extent that it could be possible for their value to be nil. Under circumstances where the objectives linked to variable remuneration are not met, the Executive Directors will only draw the fixed remuneration.

In addition, Ferrovial has the following tools to ensure that the Remuneration Policy is not exposed to excessive risk:

- a. The Nomination and Remuneration Committee consists of three members, one of whom is also a member of the Audit and Control Committee. The cross presence in these 2 Committees favours the taking into account of the risks associated with remuneration in the deliberations of the aforementioned Committees and in their proposals to the Board, both in the determination and in the process of evaluating annual and multi-year incentives.
- b. The accrual of variable remuneration only occurs after the date of preparation of the corresponding annual accounts, after it has been possible to determine the degree of achievement of the quantitative targets.
- c. In the case of annual variable remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.

- d. 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 objectives which those risks jeopardize, is applied to all the lines of business of the Group, including those investee companies in which management capacity is held. The Corporate Compliance and Risk Department is the unit responsible for coordinating the application and use of the FRM. The operation of the FRM is described in detail in the Annual Corporate Governance Report.

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

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

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

- e. As explained in section 2.6. above, all variable remuneration is subject to a 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.

ANNEX

REMUNERATION OF THE EXECUTIVE DIRECTORS

Pursuant to article 529 octodécies section 1 of the Capital Companies Act, the amount of the annual fixed remuneration of the Directors for the performance of their executive duties, and its variation during the period of application of this Remuneration Policy, are stated hereunder.

The Board of Directors, at the proposal of the Nomination and Remuneration Committee, has agreed that the Executive Directors shall draw the following fixed remuneration in the financial year 2021:

CHAIRMAN: €1,500,000

CHIEF EXECUTE OFFICER: €1,100,000

To determine the fixed remuneration of the Executive Directors, the Board of Directors has taken into consideration the specific nature of the duties carried out by each Executive Director and their dedication, as well as market information about posts of a similar nature at comparable companies. Remuneration shall remain fixed for the duration of this Policy.

REMUNERATION OF DIRECTORS IN THEIR CAPACITY AS SUCH

In accordance with article 529 septdecies.1 of the Capital Companies Act, the maximum annual amount of the remuneration of the Directors in their capacity as such corresponding to the period of validity of the Directors' remuneration policy amounts to €1,847,798.15.