

## **MAPPLE-BROWN ABBOT QUESTION**

Just going through the shareholder resolutions for the upcoming AGM, and wanted to quickly get some feedback on the below two concerns I had:

- Item 8: Could you please confirm the rationale for why the CEO is receiving a +10% pay-rise in 2021 given he has just commenced the role and given we are in a pandemic?
- Item 9: Could you please confirm whether FER is planning to provide a breakdown of what comprises the 30% qualitative portion of the variable STIs (bonuses). The sub-components (ie strategic plan / employee health & safety / innovation and CSR / development of professional teams / risk management / relationship with stakeholders) are listed, but do you plan on disclosing the weights of each, and how exactly pay is linked to performance/KPIs within each of the categories. Without this knowledge, it is hard to assess how much weight is being given to various factors eg. climate change/sustainability or social responsibility etc. and also how it is being measured and, therefore, incentivized within the Board/management.

## **FERROVIAL RESPONSE**

Item 8:

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 the Policy (3 years).

The Chairman's fixed remuneration remains unchanged in 2021, however, to establish the fixed remuneration of the Chief Executive Officer for fiscal year 2021, the Nomination and Remuneration Committee has considered the following issues:

- The Group's challenges. In particular, the measures taken with the purpose of mitigating the impact on the income statement and preserving liquidity levels have been evaluated, which have allowed generating a record level of liquidity and positioning Ferrovial for the financial year 2021 on the path of the recovery.
- The value of the contribution of the position and the person, both for the company and for the shareholders: the Nomination and Remuneration Committee annually conducts an evaluation of the personal performance of each executive director. Since the appointment of the Chief Executive Officer in 2019, the consolidation of the person in the position and the criticality of his contribution to achieving the results. In this sense, it has been considered that the fixed remuneration has remained unchanged since his appointment (1,000 thousand euros) and that said amount was significantly lower compared to previous CEO (1,200 thousand euros). Moreover CEO actual package is Base 1.000 k + 100 % at target, with maximum of 150 %, in his short term incentive remuneration, and former CEO was 1.200 k + 125 % at target, with a maximum of 190 %, in the short term incentive remuneration, so still after increase 80 % under.
- The data and remuneration practices of comparable companies, in accordance with the benchmarkings that are periodically carried out with the support of an external advisor.

Item 9:

Ferrovial has decided this year to significantly increase the level of disclosure of all items related with remuneration and will continue in this path in the future; although a decision has not yet been made with regards to the details of said disclosure.