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ANNUAL REPORT ON DIRECTORS' REMUNERATIONS FOR LISTED PUBLIC LIMITED COMPANIES

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

Dear Shareholder,

On behalf of Ferrovial's Nomination and Remuneration Committee, it is a pleasure to present the 2021 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.

The content of this report is adapted to the latest regulatory developments, specifically, the transposition in Spain of the Shareholders' Rights Directive through Act 5/2021, of 12 April, and the amendment of the Good Governance Code, both reflected in Circular 3/2021, of 28 September, of the National Securities Market Commission, which amends Circular 4/2013, of 12 June, where the content of the model annual report on directors' remuneration is updated.

The Board of Directors held on 16 December 2021, following a favourable report from the Nomination and Remuneration Committee, approved my appointment as Chairman of the Committee, of which I have been a member since December 2018. I would like to thank the previous chairman, Mr. José Fernando Sánchez-Junco, for his work during the 2021 financial year and his continuity as a member in 2022. I would also like to welcome Mr. Gonzalo Urquijo to the Nomination and Remuneration Committee.

2021 Results

2021 continued being affected by the COVID-19 global pandemic and the mobility restrictions resulting from it, although there are signs of recovery, with gradual improvements in the traffic of our main infrastructure assets as these restrictions eased.

In this sense, some of the most relevant results obtained in 2021 are detailed below:

- Strong financial situation: high liquidity levels reaching EUR 6,421mn and solid net cash position ex-infrastructure (EUR 2,182mn), due to the good flow of activity, coupled with higher dividends from infrastructure assets.
- Dividends collected from infrastructure projects: EUR 550mn vs. EUR 458mn in 2020, supported by higher dividend distributions from main toll road assets: EUR 164mn from 407 ETR (at FER's stake), EUR 53mn from NTE and EUR 167mn from LBJ which includes the extraordinary dividends following the issuance of USD 609mn of senior secured notes. During 2021, no dividends were distributed from Airports (EUR 29mn from Heathrow in 2020). Services dividends were EUR 43mn in 2021 (EUR 87mn Services dividends in 2020).
- Relevant investments & divestments during the year (more detail below):
 - Investment Cash Flow: EUR 1,112mn.
 - Divestment Cash Flow: EUR 1,621mn.

- Shareholder remuneration: EUR 463mn in 2021 above EUR 377mn in 2020, including EUR 31mn from the scrip dividend EUR 432mn from share-buyback program in 2021.
- The relative Total Shareholder Return (TSR) for the last year was 24.3 %, while that of the last three years was 67.6%.

On the other hand, details are provided below on corporate operations subsequent to Horizon24 Strategic Plan:

- Higher exposure to I-66: acquisition of an additional 5.704% interest, reaching a 55.704% stake (EUR 161mn). The total investment in I-66 to this point, including the price for the additional stake, reached EUR 517mn.
- Acquisition of a minority stake (24.9%) of IRB infrastructure developers (Indian listed company) for EUR 369mn.
- Services divestment processes substantially completed: Environmental activity in Spain (EUR 1,032mn) and oil&gas in USA.
- Sale of non-core assets in Construction during 2021 (EUR 529mn from divestments), including Budimex Real Estate (EUR 330mn post transaction cost), SCC, Recycled Aggregates within Webber (EUR 112mn), Figueras (EUR 42mn), URBICSA (EUR 17mn) and Nalanda (EUR 17mn).

Remuneration decisions

Considering the above results, the annual variable remuneration related to the results of the 2021 fiscal year has been settled in the first quarter of 2022, whose payment level for the Chairman amounts to 121.3% of the target (79.8% of the maximum and 151.7% of the fixed remuneration) and for the Chief Executive Officer amounts to 116.6% of the target (77.8% of the maximum and 116.6% of the fixed remuneration). This process is detailed in section 3 "Implementation of the Directors' Remuneration Policy in 2021".

On the other hand, the settlement was carried out in March 2021 of the 2018 allocation corresponding to the 2016-2018 Long-Term Incentive Plan, whose payment level amounted to 30% of the maximum incentive.

The level of support obtained at the General Shareholders' Meeting held on 9 April 2021, for the items on the agenda relating to remuneration was significantly higher than in the two previous years. This was mainly due to the improvements introduced in the Directors' Remuneration Policy and in the 2020 Annual report on directors' remunerations for listed public limited companies, published in a free voluntary format and with a higher level of transparency than in previous editions.

Although the Remuneration Policy approved by the 2021 General Shareholders' Meeting anticipated the regulatory changes introduced by Act 5/2021, of 12 April, amending the revised text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July 2010, and other financial regulations, regarding the promotion of long-term shareholder involvement in listed companies (the "Act 5/2021"), the texts of the following sections have been reviewed and completed in order to continue the degree of progress in the area of transparency: section 5, on the considerations when determining the Remuneration Policy in relation to the remuneration and employment conditions of employees; and 6, on the contribution of the Remuneration Policy to the business strategy and to the long-term interests and sustainability of the Company.

Likewise, the comments, recommendations and suggestions received from several institutional investors and *proxy advisors* in have also been taken into account in order to further investigate the reasons for the votes against during the previous General Shareholders' Meeting.

As a result of the analyses carried out, the Board of Directors, at the proposal of the Nomination and Remuneration Committee and in order to continue improving the degree of alignment of the remuneration policy with corporate governance recommendations, has proposed that the Chairman's future long-term incentives may be instrumented in cash, if so specified in the relevant Plan would be approved by the General Shareholders' Meeting and, at the same time, to maintain its linkage to the evolution of the share price throughout the accrual period. The final incentive would depend both on the degree of achievement of internal metrics and expected "Relative Total Shareholder Return", as well as on the variation in the share price. If the Policy approved, this amendment would be effective as of the date of the General Shareholders' Meeting and would be implemented in future grants that are approved, when the Long-Term Incentive Plan in effect for the period 2020-2022 (which was approved by the 2020 General Shareholders' Meeting) has ended.

In this analysis, the regulations applicable to listed companies (as well as the Company's internal regulations), national and international recommendations on Directors' remuneration, the supervisory environment, best practices and the remuneration systems followed in entities comparable to the Company have been taken into account.

On the other hand, it is proposed to increase the CEO's fixed remuneration to €1,150,000 (4.5%), due to the contribution value both the position and the person and market benchmark.

Finally, the maximum annual amount of remuneration for all directors for their membership of the Board of Directors of the Company and its committees has been proposed to update to €1,900,000.

In view of the foregoing, the Board of Directors, at the proposal of the Nomination and Remuneration Committee, has decided to submit to the 2022 General Shareholders' Meeting a new remuneration policy which, although it is in line with the previous policy, incorporates the aforementioned amendments. The Policy would leave the current policy without effect and would apply from the date of its approval by the Shareholders' Meeting and during the following three fiscal years (i.e., 2023, 2024 and 2025), as permitted by Article 529 novodecies.1 of the Capital Companies Act.

People and diversity

In 2021, Ms. Hildegard Wortmann and Ms. Alicia Reyes joined the Board of Directors, completing and raising the profile of the Board with their knowledge of different sectors of activity relevant to Ferrovial (automotive, financial and technology) and their previous management experience. As a result, Ferrovial's Board of Directors is made up of 12 members, of which 33,3% are women.

Concluding remarks

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

As usual, this annual remuneration report will be submitted to an advisory vote, separately, at the 2022 Annual General Shareholders' Meeting.

Signed: Bruno Di Leo



2. DIRECTORS' REMUNERATION POLICY IN 2022

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 9 April 2021, which shall remain in effect until the third anniversary of such date.

The directors' remuneration policy can be accessed at the following link: <https://static.ferrovial.com/wp-content/uploads/2021/04/18235741/ferrovial-politica-de-remuneraciones-en.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 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	

As indicated above, the Board of Directors, at the proposal of the Nomination and Remuneration Committee, has decided to submit to the 2022 General Shareholders' Meeting a new Remuneration Policy which, although it is in line with the previous policy, incorporates the aforementioned amendments, leaving the current policy without effect and would apply from the date of its approval by the Shareholders' Meeting and during the following three fiscal years (i.e., 2023, 2024 and 2025).

2.2. COMPARABLE COMPANIES USED TO DETERMINE THE REMUNERATION POLICY

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

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

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

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

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

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

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

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

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

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

2.3. REMUNERATION OF EXECUTIVE DIRECTORS

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

CHAIRMAN	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term variable remuneration (Long-term incentive plans)
Amounts	€1,500,000	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	2019 Plan (single grant): <ul style="list-style-type: none"> • 50% Profit from operations consolidated by Net Productive Assets • 50% Relative TSR 2020-2022 Plan (2020, 2021 and 2022 awards): <ul style="list-style-type: none"> • 50% Activity cash flow • 50% Relative TSR
Design	N/A	100% in cash Malus and clawback clauses Discretion of the Board in exceptional circumstances	100% in shares 3 years of target measurement Malus and clawback clauses

CHIEF EXECUTIVE OFFICER*	Fixed remuneration (FR)	Annual Variable Remuneration (AVR)	Long-term variable remuneration (Long-term incentive plans)
Amounts	€1,150,000	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	2019 Plan (single granting): <ul style="list-style-type: none"> • 50% Profit from operations consolidated by Net Productive Assets • 50% Relative TSR 2020-2022 Plan (2020, 2021 and 2022 awards): <ul style="list-style-type: none"> • 50% Activity cash flow • 50% Relative TSR
Design	N/A	100% in cash Malus and clawback clauses Discretion of the Board in exceptional circumstances	100% in shares 3 years of target measurement Malus and clawback clauses

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

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

The fixed compensation of the Chairman remains constant in 2022, however, in order to establish the fixed compensation of the Chief Executive Officer for the 2022 fiscal year, the Nomination and Remuneration Committee has considered the following:

- The value of the contribution of the position and the individual, both to the company and to the shareholders: the Nomination and Remuneration Committee conducts an annual evaluation of the personal performance of each executive director.
- The compensation data and practices of comparable companies, in accordance with the benchmarkings that are periodically carried out with the support of an external advisor.

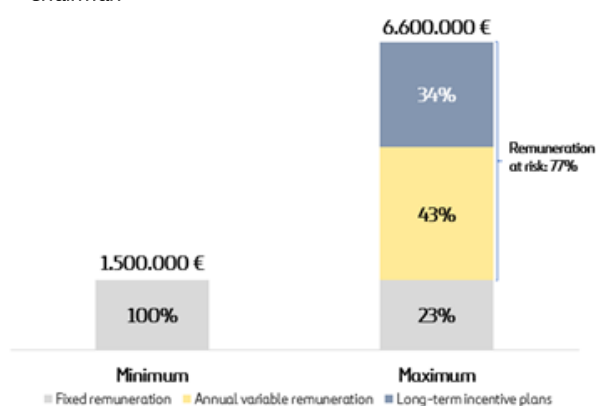
With regard to the remuneration mix, Ferrovial's remuneration policy establishes an appropriate balance between fixed and variable components of remuneration. In this regard, the weight of

remuneration at risk for executive directors is at least 75% of total remuneration for a maximum scenario that envisages a maximum long-term incentive award and over-achievement of targets.

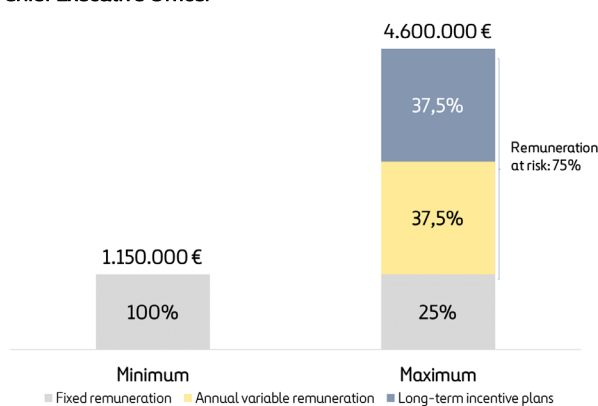
The graphs detail the level of total remuneration, as well as the remuneration mix for a scenario of minimum and maximum compliance with targets:

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

Chairman



Chief Executive Officer



2.3.1. DETAILS OF THE REMUNERATION ELEMENTS OF EXECUTIVE DIRECTORS

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

<p>Fixed remuneration</p> <p>To reward upon the basis of level of responsibility and professional background</p>	<p>Operations</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>Amount</p> <ul style="list-style-type: none"> Chairman: €1,500,000 Chief Executive Officer: €1,150,000
<p>Remuneration in kind</p> <p>To offer a competitive compensation package</p>	<p>Implementation</p> <p>In line with the policy for the Group's executives, the Company has taken out life insurance policies to cover the risk of death and disability, of which the Executive Directors are the beneficiaries. In addition, Executive Directors are eligible for other social benefits such as company car, medical insurance, life and accident insurance, liability insurance and other non-material benefits.</p> <p>Executive Directors may allocate part of their annual gross fixed remuneration to obtain some of the products or services offered by the company under the flexible remuneration plan.</p> <p>Maximum amount</p> <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 2022, at 20% of the Total Annual Remuneration (fixed remuneration plus target annual variable remuneration of 100%) of the Chief Executive Officer.

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

Variable annual remuneration

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

Operations

Executive Directors participate in the Group's general annual variable remuneration system.

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

Amount

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

Targets

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

Specifically, for the 2022 financial year, the targets established are as follows:

	QUANTITATIVE TARGETS		QUALITATIVE TARGETS AND ESG	
	Weight	Metrics	Weight	Metrics
Chairman	80%	<ul style="list-style-type: none"> • 55% Net Result • 45% Cash Flow 	20%	<ul style="list-style-type: none"> • Operation of the Board and the Executive Committee. • Strategic Plan. • Environmental, Social and Corporate Governance (ESG) Factors: <ul style="list-style-type: none"> - Corporate governance. - Successions. - Institutional relations.
CEO	70%	<ul style="list-style-type: none"> • 55% Net Result • 45% 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-Sustainability. - Development of professional teams that guarantee the stability in the management and attainment of strategic targets of the organisation. - Suitability and monitoring of the procedures associated with the taking on of controlled risk. - Relationship with stakeholders.

Long-term variable remuneration

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

Operations

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

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

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

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

Amount

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

Targets

		%	Metrics	Scale of achievement		
				Degree of achievement		% payout
2019 Plan	One-time grant	50%	Operating Profit on Net Productive Assets	Maximum	≥ 9%	50%
				Minimum	≤ 8%	0%
		50%	Relative TSR	Maximum	Position 1 to 5	50%
				Minimum	Position 10 to 18	0%
2020-2022 Plan	2020 Grant	50%	Activity cash flow	Maximum	≥ €977 million	50%
				Minimum	≤ €663 million	0%
		50%	Relative TSR	Maximum	Position 1 to 3	50%
				Minimum	Position 10 to 18	0%
	2021 Grant	50%	Activity cash flow	Maximum	≥ €1,932 million	50%
				Minimum	≤ €1,126 million	0%
		50%	Relative TSR	Maximum	Position 1 to 3	50%
				Minimum	Position 10 to 18	0%
2022 Grant	50%	Activity cash flow	Maximum	≥ 1,635 million	50%	
			Minimum	≤ 849 million	0%	
	50%	Relative TSR	Maximum	Position 1 to 3	50%	
			Minimum	Position 10 to 18	0%	

In this regard:

- Activity cash flow: the sum of Operating Cash Flow before Taxes and Net Investment Cash Flow, excluding investment or divestment transactions not committed at the start date of the Plan, as well as operating cash flows related to such investments.
- Relative TSR: Total Shareholder Return (TSR) compared to the following groups of companies:
 - For the 2019 Plan: ACS, Downer, Granite, Atlantia, AdP, Fraport, Serco, Mitie, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.
 - For the 2020-2022 Plan - First, Second and Third grant: ACS, CCR, Granite, Atlantia, AdP, Fraport, Sacyr, Getlink, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier and AENA.

2.3.2. SHARE HOLDING POLICY

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

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

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

2.3.3. MALUS AND CLAWBACK CLAUSES

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

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

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

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

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

- ii) The Nomination and Remuneration Committee has the power to propose to the Board of Directors the cancellation of the payment of variable remuneration in the type of circumstances indicated in the previous section.
- iii) The Nomination and Remuneration Committee will assess whether exceptional circumstances of this type may even lead to the termination of the relationship with the relevant manager(s) and will propose to the Board of Directors the adoption of any appropriate measures.

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

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

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

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

- a) **Duration:** Indefinite.
- b) **Prior notice:** in the event of termination for causes attributable to the Company, the latter must notify the Chief Executive Officer of the termination three months prior to the date of termination. Should this period not be complied with, the Company must disburse a sum equivalent to the remuneration corresponding to the period of advance notice remaining.
- c) **Cases of termination and compensation:** The Contract shall be terminated by the sole will of the Company expressed by means of a resolution of the Board of Directors. It shall also be immediately and automatically terminated in the event of (i) dismissal or non-renewal of the Chief Executive Officer as a director by the General Shareholders' Meeting; or (ii) revoking in whole or in part, as the case may be, of the powers delegated to them by the Board of Directors or of the powers granted to them by the Company. In the event of termination, they shall be entitled to gross compensation equal to the greater of the following two amounts: (i) the amount resulting from adding the annual amount of the fixed *remuneration* and the annual variable target remuneration corresponding to the year in which the contract is terminated; or (ii) the amounts accumulated on the date on which the contract is terminated in the extraordinary deferred remuneration plan referred to in the Long-Term Savings System with the limit of 2 annual payments of the total annual remuneration.
- d) **Exclusivity:** The Director is obliged to provide services exclusively to the Company and may not sign contracts with other companies competing with Ferrovial, either alone or through intermediaries, family members or otherwise, that imply effective competition with Ferrovial's activities.
- e) **Non-competition:** 50% of the amount that could be received in the event of termination will be subject to compliance with the 2-year post-contractual non-competition agreement.
- f) **Recovery clause:** as indicated in section 2.3.3 above.

2.4 REMUNERATION OF DIRECTORS IN THEIR STATUS AS DIRECTORS

In accordance with the approval of the Directors' remuneration policy at the General Shareholders' Meeting of 9 April 2021, the total maximum amount is established as approved by the General Shareholders' Meeting. Therefore, for 2022 as remuneration for membership of the Company's Board of Directors amounts to €1,900,000 (the application of such amount being subject to approval by the General Shareholders' Meeting).

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

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

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

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

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

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

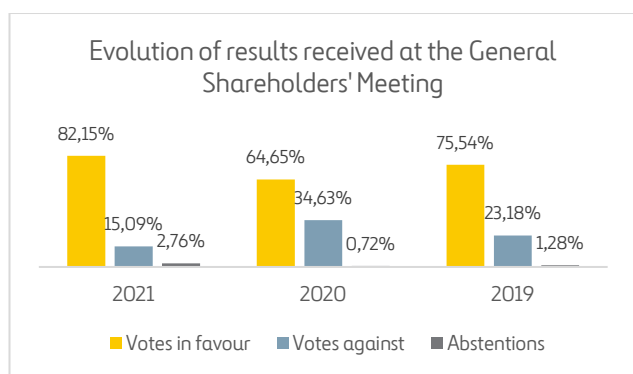
3. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2021

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 2020 financial year.

	NUMBER	% ON THE TOTAL SHARE CAPITAL
Votes cast	486,919,167	66.44%
	NUMBER	% ON CAST
Votes against	73,473,780	15.09%
Votes in favour	399,994,049	82.15%
Abstentions	13,451,338	2.76%
Blank votes	0	0%

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



The level of support obtained at the General Shareholders' Meeting held on 9 April 2021, for the items on the agenda relating to remuneration was significantly higher than in the two previous years. This was mainly due to the improvements introduced in the Directors' Remuneration Policy, approved by the 2021 Annual General Shareholders' Meeting with 84.38% votes in favour, and in the 2020 ARDR, published in a free voluntary format and with a higher level of transparency than in previous editions.

During the second half of 2021, the Nomination and Remuneration Committee reviewed in depth the comments, recommendations and suggestions received from institutional investors and *proxy advisors* and proposed the following improvements to further advance corporate governance.

Propose an amendment to the Chairman's remuneration policy in order to be able to implement the long-term cash incentive if so specified in the relevant Plan that would be approved by the General Shareholders' Meeting (for future grants, once this amendment is approved by the 2022 General Shareholders' Meeting).

Section 5 describes all the measures carried out during the 2021 financial year.

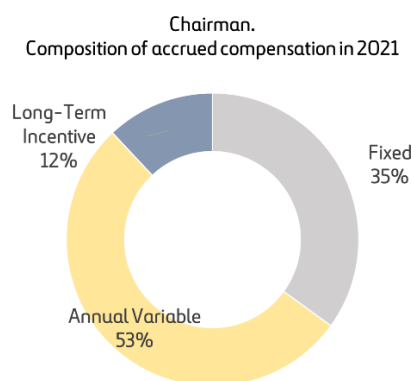
3.2. IMPLEMENTATION OF THE DIRECTORS' REMUNERATION POLICY IN 2021

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 2021 financial year has followed the terms of the current Remuneration Policy approved by the General Shareholders' Meeting held on 9 April 2021, in accordance with the provisions of Article 529 novodecies of the Capital Companies Act. It is noted that there has been no deviation from the procedure for the application of the remuneration policy, the limits in force have not been exceeded and no temporary exception has been applied to it.

3.3. REMUNERATION OF EXECUTIVE DIRECTORS ACCRUED IN 2021

During the financial year 2021 the Board of Directors had 2 Executive Directors: Mr. Rafael del Pino y Calvo-Sotelo, Chairman, and Mr. Ignacio Madrideo Fernández, Chief Executive Officer. Their contracts were not amended during the year. Section 2.3. details the remuneration elements that make up their remuneration. The remuneration mix for Executive Directors establishes an appropriate balance between fixed and variable components of remuneration. The following chart shows the weight of each of the remuneration components accrued in 2021 for the Chairman:



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

3.3.1. FIXED REMUNERATION

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

The amount of fixed remuneration in their capacity as Executive Directors for the 2021 financial year amounted in aggregate to €2,600 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).
- €1,100 thousand for the Chief Executive Officer.

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

3.3.2. VARIABLE REMUNERATION

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

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

- Both the annual variable remuneration and long-term variable remuneration include defined scales of achievement that take into account the economic-financial and operational targets of the Company's strategic plan, and in the case of the long-term variable remuneration, also the creation of value for the shareholder. Thus, changes in the Company's performance, in the short and long term, will have a direct impact on the amount of variable remuneration to be received by the Executive Directors.
- In addition, in the case of variable annual remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.
- The variable annual and long-term remuneration only accrues after the date of preparation of the corresponding annual accounts, after it has been possible to determine the degree of achievement of the quantitative targets.
- All variable remuneration is subject to a recovery clause that allows the Company to claim from Executive Directors the reimbursement of the variable components of remuneration when these have been paid on the basis of data the inaccuracy of which is subsequently proven.
- In addition, an obligation to hold shares is established, in the case of medium- and long-term variable remuneration, which is settled in shares.
- The Committee has carried out the evaluation process to determine the degree of attainment of the objectives. In this process, the Committee has been able to avail of the support of the Finance Department, responsible for management control of the Group, which facilitates the financial results of the Group

duly audited and verified by the Audit and Control Committee. It has also been verified by the external auditor.

A) Annual variable remuneration

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

In 2021 the level of payout is as follows:

- For the Chairman, €2,275 thousand, which is 121.3%% of the *target* (79.8% of the maximum possible 151.7% of the 2021 fixed remuneration).
- In the case of the Chief Executive Officer, €1,283 thousand, which is 116.6% of the *target* (77.8% of the maximum possible and 116.6% of the 2021 fixed remuneration).

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

CHAIRMAN	WEIGHT		METRICS	DEGREE OF ACHIEVEMENT OF TARGETS				Final Incentive Level
				Minimum	Target	Maximum	Real	
QUANTITATIVE TARGETS	80%	55%	Net result	€ -256 M	€ -213 M	€ -168 M	€ 215 M	€ 786 th
		45%	Cash flow	€ 450 M	€ 562 M	€ 774 M	€ 1,478 M	€ 1,114 th
QUANTITATIVE TARGETS AND ESG (Environmental, social and corporate governance factors)	20%		Operation of the Board and the Executive Committee (20%)				100%	€ 375 th
			Strategic Plan (20%)				100%	
			ESG factors: Corporate Governance (20%)				100%	
			ESG Factor: Successions (20%)				100%	
			ESG Factor: Institutional Relations (20%)				100%	
								€ 2,275 th

CHIEF EXECUTIVE OFFICER	WEIGHT		METRICS	DEGREE OF ACHIEVEMENT OF TARGETS				Final Incentive Level
				Minimum	Target	Maximum	Real	
QUANTITATIVE TARGETS	70%	55%	Net result	€ -256 M	€ -213 M	€ -168 M	€ 215 M	€ 403 th
		45%	Cash flow	€ 450 M	€ 562 M	€ 774 M	€ 1,478 M	€ 594 th
QUANTITATIVE TARGETS AND ESG (Environmental, social and corporate governance factors)	30%		Strategic Plan (30%)				100%	€ 285 th
			ESG factor: Employee health and safety, as measured by the Company's accident rates (20%)				100%	
			ESG Factor: Drive for Innovation and Corporate Social Responsibility-Sustainability (10%)				100%	
			ESG Factor: Development of professional teams that guarantee stability in the management and achievement of the organisation's strategic targets (20%)				50%	
			ESG Factor: Suitability and monitoring of procedures linked to taking on controlled risks (10%)				100%	
			ESG Factor: Relationship with stakeholders (10%)				65%	
								€ 1,283 th

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

The data corresponding to the Net Result, correspond to those published in the Integrated Report in section 2 of the Consolidated Financial Statements, Statement B of the Consolidated Income Statement €1,197 M, excluding the extraordinary impacts of €1.423 M detailed in the table of Section 2 Profit for the year, according to the proforma definition included in the Appendix of Alternative Performance Measures, as well as the activity of the rest of the Services businesses, which at the date of setting the objectives were classified as discontinued activity but which have finally remained within the Group's perimeter (€ 3 M) and cancellation of commissions on the old debt after refinancing of LBJ, since this operation has been beneficial for the company (8 M€).

The cash flow figure of €1,467 M corresponds to the cash flow from ex-project activity of €995 M, published in the Cash Flow Section 5.3 of the Consolidated Financial Statements, eliminating: the payment of taxes detailed in said Statement (€ 121 M), the divestment cash flow from the sale of companies not committed at the date of setting the targets (mainly sale of aggregates business and Webber conglomerate € 112 M and remaining stake in Norte Litoral highway €47 M), and acquisition of companies (purchase of 24.9% of IRB for € 369 M), considering as such, the purchase of stake in brownfield projects (acquisition of 5.7% of I-66 for €161 M).

B) Long-term Variable Remuneration

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

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

As reported in the 2020 ARDR, in 2021 the delivery of the shares corresponding to the third grant of the 2016-2018 Plan, whose target measurement period comprised the period 2018-2020, has taken place. The incentive level for the Chairman amounted to €490 thousand, corresponding to 22,170 shares valued as of 17 March 2021. This number of shares delivered is equivalent to 30% of those initially granted.

The 2019 Plan expired in 2021, with a target measurement period of 2019-2021. The number of shares to be delivered in 2022 will be equivalent to 50% of the units granted in 2019:

The following long-term incentive plans were in force at the end of 2021:

- The sole grant of the 2019 Plan, whose target measurement period covers the period 2019-2021, and whose outcome has been indicated in the previous paragraph.
- The first grant of the 2020-2022 Plan, whose target measurement period covers the period 2020-2022.
- The second grant of the 2020-2022 Plan, whose target measurement period covers the period 2021-2023.

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

Single grant 2019	Weight	Degree of achievement of the targets			% Payout
		Minimum	Maximum	Real	
Consolidated Operating Profit on Net Productive Assets	50%	≤ 8%	≥ 9%	3.81%	0%
Relative TSR*	50%	Position 10 to 18	Position 1 to 5	Position 3	50%
% aggregate payment					50%

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

Long-Term Incentive Plan		At the beginning of 2021 financial year	Granted during the 2021 financial year	Consolidated during the 2021 financial year				Instruments expired and not exercised	At the end of the 2021 financial year		
Plan	Grant	No. of Equivalent shares	No. of Equivalent shares	No. of Equivalent shares	No. of consolidated equivalent shares	Consolidated share price (€)	Gross profit from consolidated shares (€ thousand)	No. of instruments (units)	No. of Equivalent shares		
Chairman	2016-2018	2018	73,900	--	22,170	22,170	22,107	490	51,730	0	
	2019	2019	70,000	--	--	--	--	--	--	70,000	
	2020-2022	2020	46,500	--	--	--	--	--	--	--	46,500
		2021	--	67,500	--	--	--	--	--	--	67,500
Chief Executive Officer	2019	2019	14,468	--	--	--	--	--	--	14,468	
	2020-2022	2020	46,500	--	--	--	--	--	--	--	46,500
		2021	--	67,500	--	--	--	--	--	--	67,500

Note: The number of shares annually granted to the Chairman, represents 0.045% 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 2017-2021 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 2021

- PAYMENT IN KIND

The Company has subscribed life assurance policies to cover the risk of death or incapacity of the Executive Directors. For 2021, the amount of the life insurance premium has risen to:

- € 9 thousand for the Chairman.
- € 4 thousand for the Chief Executive Officer.

During 2021, the current Chief Executive Officer, Mr. Ignacio Madrdejos, has been allocated the amount of € 8 thousand as remuneration in kind corresponding to a company car.

- LONG-TERM SAVINGS SCHEMES AND OTHER REMUNERATIONS

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

To cover this extraordinary remuneration, the Company will make annual contributions to a group savings insurance policy, of which the Company itself is the policyholder and beneficiary, quantified at 20% of the Chief Executive Officer's total annual remuneration (for 2021, the fixed remuneration plus annual variable remuneration target of 100%).

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

The contributions made for this in 2021 amounted to €441 thousand, with the total accumulated at the closing date of this report amounting to €957 thousand for Mr. Ignacio Madrdejos.

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 2021 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	2021	2020	2019	2018	2017
Fixed remuneration	1,500	1,405 ¹	1,455	1,455	1,455
Variable remuneration	2,275	1,620	1,608	1,337	2,393
Plans linked to shares	490	1,602	1,097	1,204	1,406
Others ²	9	8	8	8	8
TOTAL	4,274	4,635	4,168	4,004	5,262

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.

CHIEF EXECUTIVE OFFICER	2021	2020	2019 ¹	2018	2017
Fixed remuneration	1,100	937 ²	250	-	-
Variable remuneration	1,283	810	250	-	-
Plans linked to shares	0	0	0	-	-
Other	4 ³	4 ³	600 ⁴	-	-
TOTAL	2,387	1,751	1,100	-	-

¹Mr. Ignacio Madrdejos 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.

⁴Incorporation bonuses.

Ratio of compensation of the top executive and the average employee

In 2021, the Chairman's total accrued remuneration amounted to € 4.265 thousand, the average total accrued remuneration amounted to € 30 thousand, and the ratio of these amounts is 143.

Ferrovial has 63,070 employees and is present in 6 main markets (Spain, United States, Canada, United Kingdom, Poland and Latin America) where there are specific remuneration conditions. We determine the total accrued remuneration considering all remuneration elements (fixed compensation, annual variable remuneration and share-linked plans).

3.5. REMUNERATION OF THE BOARD OF DIRECTORS, IN THEIR CAPACITY AS SUCH

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

The maximum total remuneration approved for 2021 for all items, for membership of the Board of Directors of the Company, stands at €1,847.80 thousand.

- Fixed emolument: in 2021 the aggregate fixed allocation amounted to € 420 thousand.
- Complementary fixed emolument: in 2021, the complementary fixed emolument reached €632 thousand.
- Attendance fees: The Directors receive a fixed sum for attending Board of Directors meetings and for their delegated or advisory Committees.

The amounts received per meeting in 2021 are detailed below:

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

In total, the amount of attendance fees paid in 2021 reached € 793 thousand.

The total amount paid in 2021 to the Directors for belonging to the Board, in their capacity as such, was €1,845 thousand.

The following table shows the Directors to whom remuneration applies, in their capacity as such, in the 2021 financial year:

Name	Position on the Board	Type of Director	Accrual period financial year t
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	Chairman	Executive	From 1/1/2021 to 31/12/2021
Mr. OSCAR FANJUL MARTÍN	Vice-chairman	Independent	From 1/1/2021 to 31/12/2021
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	CEO	Executive	From 1/1/2021 to 31/12/2021
Ms. MARÍA DEL PINO Y CALVO-SOTELO	Director	Proprietary	From 1/1/2021 to 31/12/2021
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	Director	Other external	From 1/1/2021 to 31/12/2021
Mr. PHILIP BOWMAN	Director	Independent	From 1/1/2021 to 31/12/2021
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	Director	Independent	From 1/1/2021 to 31/12/2021
Mr. BRUNO DI LEO	Director	Independent	From 1/1/2021 to 31/12/2021
Mr. JUAN HOYOS MARTINEZ DE IRUJO	Director	Independent	From 1/1/2021 to 31/12/2021
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Director	Independent	From 1/1/2021 to 31/12/2021
Ms. HILDEGARD WORTMANN	Director	Independent	From 6/5/2021 to 31/12/2021
Ms. ALICIA REYES REVUELTA	Director	Independent	From 6/5/2021 to 31/12/2021
Mr. SANTIAGO FERNÁNDEZ VALBUENA	Director	Other external	From 1/1/2021 to 4/5/2021
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	Director	Proprietary	From 1/1/2021 to 4/5/2021

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

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

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

addition, they are overlapping cycles that as a general rule are linked in time maintaining a permanent focus on the long-term concept in all decisions.

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

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

- a. The Nomination and Remuneration Committee consists of four members, one of whom is also a member of the Audit and Control Committee. The cross presence in these 2 Committees favours the taking into account of the risks associated with remuneration in the deliberations of the aforementioned Committees and in their proposals to the Board, both in the determination and in the process of evaluating annual and multi-year incentives.
- b. The accrual of variable remuneration only occurs after the date of preparation of the corresponding annual accounts, after it has been possible to determine the degree of achievement of the quantitative targets.
- c. In the case of annual variable remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.
- d. The variable components of the remuneration have sufficient flexibility to allow their modulation to the extent that it could be possible for their value to be nil. Under circumstances where the objectives linked to variable remuneration are not met, the Executive Directors will only draw the fixed remuneration.

- e. There are no guaranteed variable remunerations.
- f. For Executive Directors, the long-term element has a weighting of approximately 35/40% of total remuneration in a maximum performance scenario (fixed remuneration + annual variable remuneration + long-term incentive at grant value).
- g. To reinforce executive directors' commitment to the long-term interests of the Company and alignment with shareholders' interests, the Remuneration Policy includes retention requirements and/or permanent holding of financial instruments.
- h. As explained in section 2.3.3. above, all variable remuneration is subject to a no-claims and clawback clause that allows the Company to claim reimbursement of the variable components of the remuneration from the Executive Directors when these have been paid based on data that is subsequently proven to be inaccurate.
- i. Ferrovial has implemented a comprehensive risk management system called Ferrovial Risk Management ("FRM") which includes risks related to potential conflicts of interest. This system, directed at an association of the risks analysed with the objectives which those risks jeopardize, is applied to all the lines of business of the Group, including those investee companies in which management capacity is held. The Corporate Compliance and Risk Department is the unit responsible for coordinating the application and use of the FRM. The operation of the FRM is described in detail in the Annual Corporate Governance Report.

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

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

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

5. PROCEDURES AND BODIES OF THE COMPANY INVOLVED IN THE REMUNERATION POLICY. MAIN ACTIVITIES CARRIED OUT BY THE NOMINATION AND REMUNERATION COMMITTEE DURING THE 2021 FINANCIAL YEAR

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

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

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

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

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

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

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

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

iii) The following internal criteria as regards Executive Directors:

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

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

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

Likewise, the Nominations and Remunerations Committee, following the good practices and recommendations established in the Technical Guide 1/2019 of the Nominations and Remunerations Committees, uses reports prepared by independent external advisors. In 2021, WTW, Garrigues and Georgeson provided services in relation to various remuneration matters, including benchmarking against national and international comparators, and KPMG assisted as external advisor in the Board's annual self-assessment process.

5.2. COMPOSITION AND FUNCTIONS OF THE NOMINATION AND REMUNERATION COMMITTEE

Between 1 January and 4 May 2021, the Nomination and Remuneration Committee consisted of four members:

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

At the meeting held on 6 May 2021, effective May 5, the Board of Directors acknowledged the resignation tendered by Mr. Santiago Fernández Valbuena. As a result, from that moment on, the Committee was formed by the other three members.

The Board of Directors, at its meeting held on 16 December 2021 and following a favourable report from the Nomination and Remuneration Committee, appointed Mr. Gonzalo Urquijo Fernández de Araoz as a member of the Nomination and Remuneration Committee and Mr. Bruno Di Leo as Chairman.

Therefore, as of 31 December 2021, the Nomination and Remuneration Committee is composed of four members:

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

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

Name	Experience and knowledge
Mr Bruno Di Leo	Financial Services, Business Administration, Business strategy, Commercial management, New technologies, International experience, Innovation, Digital transformation
Mr. José Fernando Sánchez-Junco 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 of Senior Managers.
- Propose the basic conditions of the contracts of the Senior Managers.
- Check that the remuneration policy established by the Company is observed.
- Review periodically the remuneration policy applied to the Directors and Senior Managers, including the systems of remuneration by shares and their application, as well as guarantee that their individual remuneration is in due proportion to what is drawn by the remaining Directors and Senior Managers of the Company.

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

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

5.3. MAIN ACTIVITIES CARRIED OUT BY THE NOMINATION AND REMUNERATION COMMITTEE DURING THE 2021 FINANCIAL YEAR

In the 2021 financial year the Nomination and Remuneration Committee met on 5 occasions. The following table shows the individual attendance of its members.

Name	Position	Attendance at meetings
Mr. José Fernando Sánchez-Junco Mans	Member	5/5
Mr Bruno Di Leo	Chairman	5/5
Mr. Santiago Fernández Valbuena	Member	2/2
Ms. Hanne Sørensen	Member	5/5
Mr. Gonzalo Urquijo	Member	Not applicable

The following table shows the most relevant actions carried out by the Committee during 2021.

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

Quarter	Actions carried out
First Quarter 2021	<ul style="list-style-type: none"> Proposed Directors' Remuneration Policy and Annual Report on Directors' Remuneration 2020. Proposal of fixed remuneration for the 2021 financial year for the Executive Directors, and report on the fixed remuneration of the Management Committee for said financial year. To this end, the information used by the General Human Resources Department to establish fixed remuneration bands that are appropriate to the position and functions performed, as well as to its competitive position in the market, has been reviewed. Evaluation of the proposal for variable annual remuneration for 2020 payable in 2021 to the Executive Directors and report on that of the Management Committee. In relation to the variable remuneration of the Executive Directors, the following has been reviewed: (i) the amount of the variable remuneration, expressed as a percentage of the fixed remuneration, (ii) the compliance criteria to which the assessment of the variable remuneration is linked and (iii) the quantitative and qualitative targets to which it is linked. Proposed allocation of units of the second grant of the 2020-2022 Long-Term Incentive Plan to the Executive Directors and report on the allocation of units to the members of the Management Committee. Evaluation of compliance with the metrics to which the third grant of the 2016-2018 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 2020 financial year. Nominations to Boards of Directors and senior management in Ferrovial Group companies.
Second Quarter 2021	<ul style="list-style-type: none"> Evaluation of the Board carried out with an external consultant (KPMG). Nominations to the Board of Directors of Ferrovial, S.A. (the selection processes carried out were assisted by two external advisors of recognised prestige, Board & Technology and Alemany & Partners) and senior executives in Ferrovial Group companies.
Third Quarter 2021	<ul style="list-style-type: none"> Analysis of comments, recommendations and suggestions received from institutional investors and proxy <i>advisors</i>. Nominations to Boards of Directors and senior management in Ferrovial Group companies. Report on commitment management and diversity.
Fourth Quarter 2021	<ul style="list-style-type: none"> Analysis of the implementation of initiatives to continue improving the degree of alignment with corporate governance recommendations. Annual review of the dedication of the Non-Executive Directors: other professional obligations. Analysis of the configuration of the Board of Directors and its Committees. Proposed amendment to the Directors' Remuneration Policy. Nominations to Boards of Directors and senior management in Ferrovial Group companies. Report on the operation of the Committee. Report on the succession plan for the Chairman, Chief Executive Officer, senior management and other management positions. Report on talent management.

In 2022, up to the date of approval of this report, the same activities have been carried out as in 2021, review and proposal of the remuneration plans for the Executive Directors to be submitted to vote at the 2022 General Shareholders' Meeting.

5.4. OTHER INFORMATION OF INTEREST

Table C.1.a.i) of the Statistical annex includes the amount of the Fixed Complementary Allowance in the field "Other items".

Ferrovial has taken out civil liability insurance for the directors and executives of the Group companies of which Ferrovial is the parent company. Among these insured persons are the Directors. The premium paid in 2021 for the aforementioned insurance amounts to € 1,300 thousand.

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

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

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

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

	Number	% on the total
Votes cast	486,919,167	66.44%

	Number	% overcast
Votes against	73,473,780	15.09%
Votes in favour	399,994,049	82.15%
Votes in blank		0,00%
Abstentions	13,451,338	2.76%

C LIST OF INDIVIDUAL REMUNERATIONS FOR EACH DIRECTOR

Name	Type	Period of accrual financial year 2021
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	Executive Chairman	From 1/1/2021 to 31/12/2021
Mr. OSCAR FANJUL MARTÍN	Independent Vice-Chairman	From 1/1/2021 to 31/12/2021
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	CEO	From 1/1/2021 to 31/12/2021
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	Proprietary Director	From 1/1/2021 to 4/5/2021
Ms. MARÍA DEL PINO Y CALVO-SOTELO	Proprietary Director	From 1/1/2021 to 31/12/2021
Mr. SANTIAGO FERNÁNDEZ VALBUENA	Other external Director	From 1/1/2021 to 4/5/2021
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	Other external Director	From 1/1/2021 to 31/12/2021
Mr. PHILIP BOWMAN	Independent Director	From 1/1/2021 to 31/12/2021
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	Independent Director	From 1/1/2021 to 31/12/2021
Mr. BRUNO DI LEO	Independent Director	From 1/1/2021 to 31/12/2021
Mr. JUAN HOYOS MARTINEZ DE IRUJO	Independent Director	From 1/1/2021 to 31/12/2021
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Independent Director	From 1/1/2021 to 31/12/2021
Ms. HILDEGARD WORTMANN	Independent Director	From 6/5/2021 to 31/12/2021
Ms. ALICIA REYES REVUELTA	Independent Director	From 6/5/2021 to 31/12/2021

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

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

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board Committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2021 financial year	Total 2020 financial year
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	35	122		1,500	2,275			92	4,024	4,868
Mr. OSCAR FANJUL MARTÍN	35	83						81	199	186
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	35	61		1,100	1,283			46	2,525	1,884
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	12	12						16	40	124
Ms. MARÍA DEL PINO Y CALVO-SOTELO	35	61						46	142	137
Mr. SANTIAGO FERNÁNDEZ VALBUENA	12	18						16	46	145
Mr. JOSÉ FERNANDO SÁNCHEZ - JUNCO MANS	35	76						46	157	157
Mr. PHILIP BOWMAN	35	59						46	140	135
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	35	50						46	131	132
Mr. BRUNO DI LEO	35	58						46	139	134
Mr. JUAN HOYOS MARTINEZ DE IRUJO	35	61						46	142	137
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	35	59						46	140	135
Ms. HILDEGARD WORTMANN	23	36						30	89	0
Ms. ALICIA REYES REVUELTA	23	36						30	89	0

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

Name	Name of the Plan	Financial instruments at the beginning of 2021 financial year		Financial instruments granted during financial year 2021		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of the 2021 financial year	
		No. of instruments	No. of Equivalent shares	No. of instruments	No. of Equivalent shares	No. of instruments	No. of equivalent/ consolidated shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (€ thousand)	No. of instruments	No. of instruments	No. of Equivalent shares
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	2018 Performance Shares Plan	--	73,900	--	--		22,170	22.10	490	51,730	--	0
	2019 Performance Shares Plan	--	70,000	--	--	--	--	--	--	--	--	70,000
	2020 Performance Shares Plan	--	46,500	--	--	--	--	--	--	--	--	46,500
	2021 Performance Shares Plan	--	--	--	67,500	--	--	--	--	--	--	67,500

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

iii) Long-term savings systems

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

Name	Contribution during financial year by Company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Systems with consolidated economic rights		Systems with unconsolidated economic rights	
	2021 Financial year	2020 Financial year	2021 Financial year	2020 Financial year	2021 Financial year	2020 Financial year	2021 Financial year	2020 Financial year
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ			441	401			957	503

iv) Breakdown of other items

Name	Item	Remuneration amount
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	Life insurance premium	9
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	Life insurance premium	4
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	Allocation vehicle leasing	8

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

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board Committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2021 financial year	Total 2020 financial year
No data										

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

Name	Name of the Plan	Financial instruments at the beginning of 2020 financial year		Financial instruments granted during financial year 2021		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of the 2021 financial year	
		No. of instruments	No. of Equivalent shares	No. of instruments	No. of Equivalent shares	No. of instruments	No. of equivalent/ consolidated shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (€ thousand)	No. of instruments	No. of instruments	No. of Equivalent shares
No data												

iii) Long-term savings systems

Name	Remuneration for consolidation of rights to savings systems
No data	

Name	Contribution during financial year by Company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2021 Financial year	2020 Financial year	2021 Financial year	2020 Financial year	2021 Financial year	2020 Financial year	2021 Financial year	2020 Financial year
Mr. RAFAEL DEL PINO Y CALVO-SOTELO								
Mr. OSCAR FANJUL MARTÍN								
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ								
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO								
Ms. MARÍA DEL PINO Y CALVO-SOTELO								
Mr. SANTIAGO FERNÁNDEZ VALBUENA								
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS								
Mr. PHILIP BOWMAN								
Mr. HANNE BIRGITTE BREINBJERG SØRENSEN								

Mr. BRUNO DI LEO								
Mr. JUAN HOYOS MARTINEZ DE IRUJO								
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ								
Ms. HILDEGARD WORTMANN								
Ms. ALICIA REYES REVUELTA								

iv) Breakdown of other items

Name	Item	Remuneration amount
No data		

c) Summary of remuneration (€ thousand):

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

Name	Remuneration accrued in the Company					Remuneration accrued in companies of the Group					Total 2021 financial year Company + group
	Total Remuneration in cash	Gross profit from consolidated shares or financial instruments	Remun. for savings systems	Remun. for other items	Total 2021 financial year Company	Total Remuneration in cash	Gross profit from consolidated shares or financial instruments	Remun. for savings systems	Remun. for other items	Total 2021 financial year	
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	4,024	490			4,514						4,514
Mr. OSCAR FANJUL MARTÍN	199				199						199
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	2,525				2,525						2,525
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	40				40						40
Ms. MARÍA DEL PINO Y CALVO-SOTELO	142				142						142
Mr SANTIAGO FERNÁNDEZ VALBUENA	46				46						46
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	157				157						157
Mr. PHILIP BOWMAN	140				140						140
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	131				131						131
Mr. BRUNO DI LEO	139				139						139
Mr. JUAN HOYOS MARTINEZ DE IRUJO	142				142						142
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	140				140						140
Ms. HILDEGARD WORTMANN	89				89						89
Ms. ALICIA REYES REVUELTA	89				89						89
TOTAL:	8,003	490			8,493						8,493

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

	2021 Financial year	% variation 2021/2020	2020 Financial year	% variation 2020/2019	2019 Financial year	% variation 2019/2018	2018 Financial year	% variation 2018/2017	2017 Financial year
Executive Directors (€ thousand)									
Mr. RAFAEL DEL PINO Y CALVO-SOTELO	4,514	-7.27	4,868	10.34	4,412	4.50	4,222	-23.11	5,491
Mr. IGNACIO MADRIDEJOS FERNÁNDEZ	2,525	34.02	1,884	66.43	1,132	-	0	-	0
External Directors (€ thousand)									
Mr. OSCAR FANJUL MARTÍN	199	6.99	186	22.37	152	6.29	143	-5.3	151
Ms. MARÍA DEL PINO Y CALVO-SOTELO	142	3.65	137	-4.86	144	4.35	138	-1.43	140
Mr. JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	157	0	157	-2.48	161	2.55	157	1.29	155
Mr. PHILIP BOWMAN	140	3.70	135	3.05	131	-5.07	138	6.98	129
Ms. HANNE BIRGITTE BREINBJERG SØRENSEN	131	-0.76	132	1.54	130	-5.80	138	39.39	99
Mr. BRUNO DI LEO	139	3.73	134	6.35	126	240.54	37	-	0
Mr. JUAN HOYOS MARTINEZ DE IRUJO	142	3.65	137	356.67	30	-	0	-	0
Mr. GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	140	3.70	135	n.s.	2	-	0	-	0
Ms. HILDEGARD WORTMANN	89	-	0	-	0	-	0	-	0
Ms. ALICIA REYES REVUELTA	89	-	0	-	0	-	0	-	0
Mr SANTIAGO FERNÁNDEZ VALBUENA	46	-68.28	145	-9.38	160	-1.84	163	3.16	158
Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO	40	67.74	124	-1.59	126	-3.82	131	1.55	129
Consolidated results of the Company (€ million)	964	-	-427	-	504	4.78	481	2.56	469
Average remuneration of employees (€ thousand)	30	-6.25	32	-8.57	35	-10.26	39	0	39

Remarks:

Note on the remuneration of Ms. HANNE BIRGITTE BREINBJERG SØRENSEN between 2017 and 2018: the indicated figure shows the variation between the remuneration actually accrued in 2017 and in 2018. These figures are not comparable given that the Director was appointed on 5 April 2017 and therefore the remuneration relates to the period from 5 April to 31 December 2017. In 2018, she was a member of the Board for the full financial year.

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

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

Note on the remuneration of Mr. SANTIAGO FERNÁNDEZ VALBUENA between 2020 and 2021: the figure indicated shows the variation between the remuneration actually accrued in 2020 and in 2021. These figures are not comparable since the Director ceased to be a Director on May 4, 2021 and, therefore, the remuneration corresponds to the period from January 1 to May 4, 2021.

Note on the remuneration of Mr. JOAQUÍN DEL PINO Y CALVO-SOTELO between 2020 and 2021: the figure indicated shows the variation between the remuneration actually accrued in 2020 and in 2021. These figures are not comparable since the Director ceased to be a Director on May 4, 2021 and, therefore, the remuneration corresponds to the period from January 1 to May 4, 2021.

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

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

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

Note on AVERAGE EMPLOYEE REMUNERATION: data from "SALARY AND WAGE ACCOUNT" between "AVERAGE STAFF", excluding Executive Directors in both data.

D OTHER INFORMATION OF INTEREST

This annual remuneration report was approved by the Board of Directors of the Company at its meeting held on 24 February 2022.

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

Yes

No

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