

# Oriented to value creation

**The remuneration of the Board of Directors of Ferrovial is determined based on the best practices of the market, based on remuneration studies prepared by external advisors, on the internal regulations and on the applicable legal regulations.**

The remuneration of Ferrovial Senior Management is based on the following principles and criteria:

- Creation of long-term value, aligning the remuneration systems with the Strategic Plan.
- Attracting and retaining the best professionals.
- External competitiveness in setting remuneration.
- Periodic participation in plans linked to the action and linked to the attainment of certain profitability metrics.
- Achievement of objectives in accordance with the Risk Management Policy.
- Maintaining a reasonable balance between the different components of fixed (short-term) and variable (annual and long-term) remuneration.
- Transparency.

## REMUNERATION EXECUTIVE DIRECTORS

### Fixed components

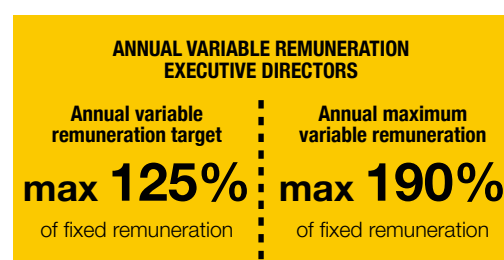
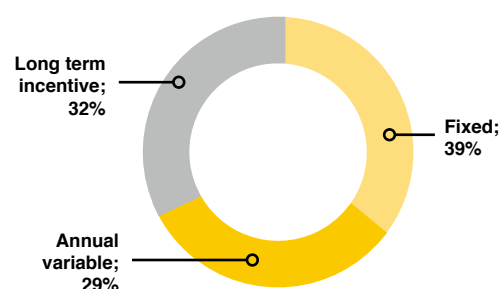
The fixed remuneration of the Executive Directors is determined according to the market references of a comparison group of 24 national and international companies from their reference markets.

### Variable components

Only the Executive Directors have variable component elements in their remuneration. It consists of an annual variable remuneration and long-term incentive plans.

The approval of a new long-term share-based incentive plan for the 2020-2022 triennium will be submitted to the General Meeting for approval. Its details are reported in the Annual Report of Director Remuneration. Its structure is similar to that of the previous plans, with annual awards in 2020 - 2022, vesting at 3 years, weight of the

## COMPOSITION OF THE REMUNERATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER



total return to the shareholder of 50% and internal metric that will be the activity cash flow, with a weight of 50%.

### a) 2019 Annual variable remuneration

Remuneration is pegged to individual performance and the attainment of specific economic-financial, industrial and operational targets, which are pre-determined, quantifiable and consistent with company interests and expressly envisioned in the Strategic Plans. These targets may be quantitative or qualitative.

The target amount of the annual variable remuneration for exec-

REMUNERATION OF EXECUTIVE DIRECTORS (THOUSANDS OF €)*	FIXED	VARIABLE	SHARE-BASED PLANS	OTHERS <sup>(1)</sup>	OTHERS <sup>(2)</sup>	TOTAL 2019	TOTAL 2018
Rafael del Pino y Calvo- Sotelo	1,455	1,608	1,097	8	0	4,168	4,004
Ignacio Madrdejos Fernández	250	250	0	0	600	1,100	0
Íñigo Meirás Amusco**	969	188	1,097	5	725	2,984	3,461
<b>TOTAL</b>	<b>2,674</b>	<b>2,046</b>	<b>2,194</b>	<b>13</b>	<b>1,325</b>	<b>8,252</b>	<b>7,465</b>

\* Remuneration for their status as Executive Directors.

\*\* In addition to the information indicated above, in compensation for the loss of the status of Executive Director of the Company and the consequent termination of the senior management relationship, 8,167 gross thousands euros were paid to Mr. Íñigo Meirás Amusco (all of which are subject to personal income tax).

(1) Life insurance/Boards in other subsidiaries.

(2) In the case of Mr. Ignacio Madrdejos, an incorporation bonus is granted through the delivery of Ferrovial shares. The figure for Mr. Íñigo Meirás corresponds to liquidation, balance, settlement.

utive directors, i.e. the remuneration corresponding to a standard level of target attainment, is equivalent to 125% of the fixed remuneration for the Chairman. The quantitative targets have an associated scale for rewarding overachieved targets up to a certain limit. The annual variable remuneration therefore has a cap of 190% on the fixed remuneration.

For the new CEO, Ignacio Madridejos, a variable target remuneration has been established, equivalent to 100% of the fixed remuneration, and overachievement with objectives up to a limit of 150% of the fixed remuneration.

Quantitative targets comprise metrics to guarantee a suitable balance between financial and operational aspects relating to the

management of the company. Qualitative targets are pegged to an assessment of the individual performance of executive directors.

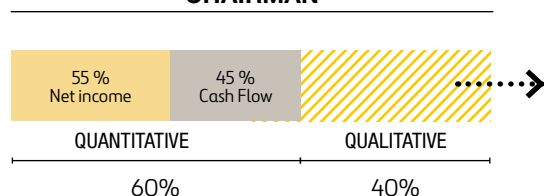
#### b) Current long-term incentive plans

Executive directors participate in a long-term variable remuneration system involving the delivery of shares. The current remuneration policy has a limit of 150% of the fixed remuneration as the incentive value at the time the remuneration is awarded.

It is structured into overlapping multi-year cycles (currently set at three years). Units are assigned each year and then converted into shares at the end of the cycle (currently three years). For the current plan (2019), they are determined by the relative weight of the metrics in the attached table.

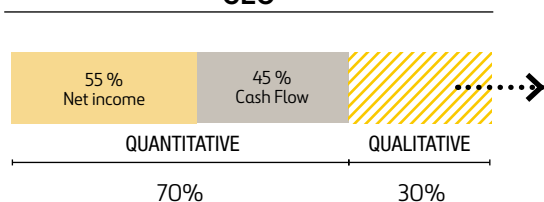
### COMPONENTS OF THE VARIABLE REMUNERATION

#### CHAIRMAN



- Operations of the Board and the Executive Committee.
- Corporate Governance.
- Strategic Plan.
- Successions.
- Institutional Relations.

#### CEO



- Compliance with the Strategic Plan.
- Employee Health & Safety, measured using accident rates.
- Promoting Innovation and Corporate Social-Sustainability Responsibility.
- Development of professional teams to guarantee stability in the management and achievement of strategic objectives of the organization.
- Adjustment and monitoring of procedures linked to assuming controlled risks.
- Relationships with stakeholders.

### REMUNERATION OF THE NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors is determined by an allowance (fixed plus complementary) and allowances. Their remuneration is in the median of the remuneration of the non-executive directors of the Ibex 35.

Ferrovial's internal regulations stipulate that the remuneration of External Directors will be that necessary to suitably remunerate the responsibility and dedication required by the position, without compromising their independence.

Remuneration formulas, consisting of handing over shares, options, instruments referenced to the value of the share or linked to the performance of the Company, will be limited to the Executive Directors.

More information available on the remuneration of the Board of Directors and Senior Management, and on the Remuneration Policy on the Ferrovial website: [www.ferrovial.com](http://www.ferrovial.com).

### REMUNERATION OF THE SENIOR MANAGEMENT

2019 PERFORMANCE SHARES PLAN		PAYOUT
<b>OPERATING RESULT <sup>(1)</sup> / NET PRODUCTIVE ASSETS <sup>(2)</sup> (50%)</b>		
Maximum	≥9%	50%
Minimum	≤ 8%	0%
<b>TOTAL RETURN FOR THE SHAREHOLDER IN COMPARISON WITH A GROUP OF COMPANIES (50%)</b>		
Maximum	Positions 1 to 5	50%
Minimum	Positions 10 to 18	0%

REMUNERATION OF SENIOR MANAGEMENT (THOUSANDS OF EUROS)	2019	2018
Fixed remuneration	4,714	5,237
Variable remuneration	3,202	3,803
Plan for handing over shares linked to goals	3,090	5,083
Others <sup>(1)</sup>	53	54
Others <sup>(2)</sup>	0	8,924
<b>TOTAL</b>	<b>11,059</b>	<b>23,101</b>

<sup>(1)</sup> The Operating Profit (OP) shall be considered as the consolidated operating result, adding to it the OP of the companies that are integrated using the equity method in the consolidated financial statements, in the percentage of stakeholding they hold.

<sup>(2)</sup> Productive Net Assets. The total amount of the assets that appear in the Company's consolidated balance sheet will be considered as such, excluding the assets assignable to unpaid construction projects. The value corresponding to the proportional part of the Net Productive Assets of the companies integrated using the equity method will be added to the result, with the exception of the part corresponding to the revaluation of companies derived from divestment processes with loss of control.

<sup>(1)</sup> Life insurance premiums / board positions at other subsidiaries

<sup>(2)</sup> Disassociation of three members of the Executive Committee (data subject to personal income tax)