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ANNUAL REPORT ON DIRECTORS' REMUNERATIONS FOR LISTED PUBLIC LIMITED COMPANIES

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Príncipe de Vergara, 135 Madrid

ANNUAL REPORT ON DIRECTORS' REMUNERATIONS FOR LISTED PUBLIC LIMITED COMPANIES

A REMUNERATION POLICY FOR THE COMPANY FOR THE FINANCIAL YEAR IN COURSE

A.1 Explain the current directors' remuneration policy applicable to the current financial year. As far as is relevant, certain information may be included by reference to the remuneration policy approved by the general shareholders' meeting, provided that the incorporation is clear, specific and precise.

A description must be given of the specific determinations for the current financial year, both of the remunerations of directors due to their standing as such and for the performance of executive functions, which the board has carried out in accordance with the provisions of the contracts signed with the executive directors and with the remuneration policy approved by the general meeting.

In any case, at least the following aspects should be reported:

- Description of the company's procedures and bodies involved in determining and approving the remuneration policy and its conditions.
- Indicate and, where appropriate, explain whether comparable companies have been taken into account in establishing the company's remuneration policy.
- Information on whether any external adviser has participated and, if so, the identity of the adviser.

A.1.1. General principles and criteria

The combination of the talent and engagement of our professionals constitutes one of the pillars of the Company and, to this end, the policy and practices relating to remuneration are so determined as to attract, retain and engage the best professionals and so meet the long-term objectives of the Company. In addition, the economic climate, the results of the Company, the strategy of the Group, statutory requirements and the best market practices are all taken into account to set the remuneration policy.

The remuneration policy is founded upon the following principles and criteria:

- Creation of long-term value, aligning the systems of reward with the strategic plan;
- Attraction and retention of the best professionals;
- External competitiveness in settling remuneration, with market references through analysis of comparable sectors and companies;
- Periodic participation in plans linked to the share price and to certain metrics of profitability;
- Responsible achievement of objectives in accordance with the risk management policy of the Company;
- Maintenance of a reasonable balance between the different components of fixed remuneration (short-term) and the variable (annual and long-term), reflecting an appropriate assumption of risks combined with attainment of the targets defined;
- Transparency in the remuneration policy.

As regards the policy for the financial year 2019, and as will be mentioned further on in section A.2, the elements and characteristics of this policy are maintained in similar terms to those applied in 2016, 2017 and 2018 with the following modifications:

Specifically:

- It is proposed for approval of the General Shareholders' Meeting that the maximum amount of the annual variable remuneration of Executive Directors be reduced from the 225% of their fixed remuneration contained in the Directors' Remuneration Policy currently in force, to 190%

of said fixed remuneration.

- It has also been proposed to increase the maximum value of the long-term incentive at the time it is granted to the Executive Directors, from 125% of the fixed remuneration contained in the current Directors' Remuneration Policy to 150% of said fixed remuneration. It is also proposed that the weight of the total return metric to the incentive shareholder should have a minimum weight of 30%.
- This change implies improving the long-term balance of the variable remuneration, since practically 45% of it will be oriented towards the long term and currently paid in shares of the Company, thus reinforcing the alignment of decision-making and remuneration with the interests of shareholders.

Likewise, some minor changes have been made to the wording of some paragraphs in order to provide greater clarity without modifying their scope.

Specifically:

- In the share holding policy section.
- A modification has also been included in the section corresponding to the Remuneration Policy for new appointments so that if there is a new appointment, the Nomination and Remuneration Committee can determine the period necessary for the newly appointed Executive Director to comply with the requirement established in the Share Ownership Policy.

A.1.2. Specific determinations, both of directors' remuneration for their standing as such and for the performance of executive duties.

The remuneration of the directors in their standing as such is established taking into account the maximum limit that the General Meeting of Shareholders established in 2009 and the amendments made in the IPC. The total maximum for 2019 as remuneration for belonging to the Board of Directors of the Company has been established at € 1,847,798.15 in application of the CPI for 2018, equal to 1.2.%.

The remuneration consists of the following remuneration elements:

- a) Fixed emolument: Remuneration of the Board of Directors pursuant to the Bylaws, paid on a quarterly basis. The goal is the appropriate remuneration for the dedication demanded by the post, without reaching levels which compromise the independence of the Director. The amount per Director amounts to €35,000 per year.
- b) Allowances:
 - For effective attendance at the Board of Directors: €6,000 /meeting
 - For effective attendance at the Executive Committee: €2,200 /meeting
 - For effective attendance at the Audit and Control Committee: €2,200 /meeting
 - For effective attendance at Committee of Nomination and Remuneration: €1,650 /meeting

The amount of the attendance fees corresponding to the Chairmen of those bodies stands at twice the amounts indicated, in line with the remuneratory principle of reward upon the basis of the level of responsibility and professional background.

- c) Complementary fixed emolument Remuneration pursuant to the Bylaws which is paid in a single sum once the financial year is over.
- Chairman of the Board: €92,000 p.a.
 - First Vice-chairman: €80,500 p.a.
 - Second Vice-chairman: €57,500 p.a.
 - Other Board members: €46,000 p.a.

The amounts corresponding with sections a, b, c mentioned will be able to be amended each year within the framework of Article 56 of the Bylaws and within the maximum amounts approved by the General Meeting.

If as a consequence of a number of meetings greater than that initially envisaged, or for some other reason, the amount of the attendance fees, added to that of the fixed components were greater than the total maximum remuneration fixed for membership of the Board for the year in course, the difference shall be deducted from the amount of the complementary fixed emolument, proportionally for each Director, depending on their standing.

In addition, the total compensation of the Executive Directors consist of different remuneration elements that fundamentally are formed by: (i) a fixed remuneration, (ii) a variable short-term remuneration and (iii) a variable long-term remuneration.

A.1.3. Description of the company's procedures and bodies involved in determining and approving the remuneration policy and its conditions.

The bodies involved in the approval of the Remuneration Policy are the Board of Directors, the Nomination and Remuneration Committee and the General Shareholders' Meeting, the latter being competent to approve it in accordance with article 22.2.d) of the Bylaws and in accordance with current legislation.

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

- i) The applicable legal regulations.
- ii) What is established in the Bylaws and Board of Directors Regulations for the Company: Article 56 of the Bylaws establishes that the members of the Board of Directors have the right to receive an annual amount, established completely and jointly for all members of the Board by the General Shareholders' Meeting.

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

- Any remuneration that is paid to Directors for exercising or terminating their position and for performing their executive duties, will be in line with the remuneration policy for Directors that is applicable at all times, except for the remunerations that have been expressly approved by the General Meeting.
- In any case, the remuneration of Directors should be in due proportion to the importance of the Company, its financial situation at any given time, and the market standards for comparable companies.

It shall be as necessary to attract and retain Directors of the desired profile and to reward the dedication, qualification and responsibility demanded by the position, but not so high as to compromise the independence of judgement of the Non-Executive Directors.

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- The Board of Directors shall be responsible for determining the remuneration of each Director as such, in accordance with the law and the Bylaws, and shall take into account for this purpose the remit and responsibility attributed to each Director, membership of Committees of the Board and such other objective circumstances as it may deem relevant.
- The Board of Directors shall be responsible for the remuneration of the Executive Directors in compliance with what is stipulated by law and in the remuneration policy for Directors approved by the General Meeting.

In addition to the foregoing:

- Article 9.3 of the Regulations of the Board also states that the Board shall prepare an annual report on the remuneration of its Directors, under the terms established in current legislation, which shall be disseminated and submitted to the consultative vote of the General Shareholders' Meeting as a separate item on the agenda.
- iii) The following internal criteria to establish the remuneration policy for executive directors:
- Breakdown of the remuneration as fixed and variable targets.
 - Association with the variable part to the achievement of corporate targets.
 - Alignment with Ferrovial's interests through:
 - Periodic participation in plans linked to the share price and to certain metrics of profitability;
 - Recognition, in certain cases, of a deferred remuneration concept.
 - No commitments to pensions.
 - Executive Directors will be limited to the remuneration formulas consisting in the awarding of shares, options, instruments referenced to the value of the share or related with the company's performance.
- iv) The targets established in the group strategic plan, which allow, among others, metrics to be established with which annual variable remuneration is associated and medium/long-term.
- v) Market information. See A.1.4.

The Nomination and Remuneration Committee has undertaken the revision that is always done every year for the variable remuneration, subjecting the corresponding proposals to the Board.

In addition, among the matters that are to be discussed in the Nomination and Remuneration Committee, the following are notable:

- The information used by the General Management of Human Resources to establish fixed remuneration bands that are suitable for the position and duties undertaken as well as its competitive position on the market.
- The targets of a quantitative and qualitative nature with which the variable remuneration for the directors is associated with executive duties.
- The amount of variable remuneration for executive directors, expressed as a percentage of its fixed remuneration.
- The compliance criteria with which the assessment of variable remuneration is associated.
- Lastly, in those cases in which the law establishes so, the approval of the prescriptive matters is subject to the General Meeting, including the remuneration plans consisting of delivery of shares, rights of option for them or that refer to the value of the shares.

In the financial year 2018 the Nomination and Remuneration Committee has gathered on 6 occasions.

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The current composition of this committee is as follows:

- José Fernando Sánchez-Junco Mans (Chairman), Independent Director.
- Santiago Bergareche Busquet, external directors.
- Santiago Fernández Valbuena, Independent Director
- Hanne Sorensen, Independent Director

Among its most notable functions are:

- Propose the nomination of Independent Directors and to inform the rest of the Directors of the nomination proposals as well as the CEO.
- Report on the appointment of the members who must form part of each of the Committees.
- Analyse the process that allows the succession ordered by the Chairman and the CEO.
- Report on the appointment and removal of those managers who are directly responsible to the CEO.
- Propose the system and the amount of annual remuneration of the Directors.
- Propose the basic conditions of the contracts for senior managers.

During 2018 and until the date of approval of this report, the most important actions of this Committee have been related with:

- Close of the remuneration for the financial year 2017 of the Directors, in their standing as such;
- Fixed remuneration proposal 2018 of the Executive Directors and report for the proposal of the Management Committee;
- Evaluation of the proposal for variable annual remuneration for 2017 payable in 2018 to the Executive Directors and Report on that Management Committee;
- Proposal for the allocation of the third cycle of the Delivery of Shares Plan 2016-2018 of the Executive Directors and report on the Management Committee and the assessment of compliance of the corresponding metrics;
- Evaluation of the Board.
- Verification of observance of the remuneration policy of the Company
- Modification of the comparator group of the Total Shareholder Return metric of the Long-Term Incentive plan in force due to the bankruptcy of Carillion and the absorption of Abertis by Atlantia;
- Discussion and submission of the Directors' Remuneration Policy to the Board for the period 2020-2022;
- Discussion and submission to the Board of the new Long-Term Incentive Plan.

A.1.4. Indicate and, where appropriate, explain whether comparable companies have been taken into account in establishing the company's remuneration policy.

During the financial year 2018 the analysis has been undertaken for the remuneration of the Directors in their standing as such and for the Executive Directors.

With respect to the remuneration of Directors in their capacity as such, the market information in Spain is analysed, in particular, in IBEX35 companies and also in the comparison group used for Executive Directors.

In relation with the Executive Directors, the market that is taken as a reference point by the Nomination and Remuneration Committee to establish the different components for the remuneration is established based on the following criteria: (i) number of companies that are sufficient to obtain representative results that are reliable and solid statistics; (ii) dimension data: turnover, degree of internationalisation, assets and number of employees; (iii) scope of responsibility: companies mainly listed in IBEX35 and multinationals in the sector; (iv) sectorial distribution: multi-sector sample with relevant weighting of the construction and services, energy and financial sectors.

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As a result, the comparison group is formed, for 2018, by the following 24 companies: Acciona, ACS, Atlantia, Balfour Beatty, BBVA, Eiffage, Fraport, Naturgy, Granite, Iberdrola, Inditex, Indra, Kier, Mitie, Paris CdG, Repsol, Santander, Serco, Skanska, SNC Lavalin, Strabag, Telefónica, Transurban and Vinci.

In 2016 Ferrovial decided to amend the existing comparison group of 17 companies, adding to the current one the member companies of the long-term incentive comparison group and disregarding some companies, which due to the changes produced in them or their domestic market no longer conform to the established criteria. This new comparison group more closely reflects the current reality of the company.

According to the report prepared by Willis Towers Watson, Ferrovial's size in terms of turnover, market capitalisation and total assets for the last financial year with respect to this comparison group would be aligned in accordance with the median of the comparison group, which reinforces this comparison group as the appropriate one to take into account for the analysis exercise.

A.1.5. Information on whether any external adviser has participated and, if so, the identity of the adviser.

The Company uses reports prepared by external advisers, in 2018 Garrigues Human Capital Services and Willis Towers Watson, on various remuneration issues, to make comparisons with external organisations of similar size and structure and to ensure that executive directors' remuneration is at a competitive level.

KPMG collaborated as an adviser for the evaluation of the Board and Egon Zehnder collaborated in the selection of a new Director.

- The relative importance of variable remuneration items with respect to the fixed (remuneration mix) and what criteria and objectives have been taken into account in their determination and to guarantee an appropriate balance between the fixed and variable components of remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, including, where appropriate, a reference to measures envisaged to ensure that the remuneration policy takes account the company's long-term performance, measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the institution and measures envisaged to avoid conflicts of interest, where appropriate.

Likewise, state whether the company has established a period for the accrual or consolidation of certain variable remuneration items, in cash, shares or other financial instruments, a period of deferral in the payment of amounts or delivery of financial instruments already accrued and consolidated, or whether a clause has been agreed to reduce deferred remuneration or oblige the director to return remuneration received, when such remuneration has been based on data whose inaccuracy has subsequently been clearly demonstrated.

A.1.6.

As far as directors are concerned in their standing as such, the remuneration policy, within the framework indicated before, aims to remunerate directors in a suitable way for their professional value and experience, as well as for their dedication and the responsibility taken on by them, without which the remuneration paid may compromise their independence. In this line, the remuneration of the Directors in their standing as such consists of a fixed allocation, and allowances for attending meetings and a supplementary fixed allocation. In addition, the total compensation of the Executive Directors consist of different remuneration elements that fundamentally are formed by: (i) a fixed remuneration, (ii) a variable short-term remuneration and (iii) a variable long-term remuneration.

As far as the remuneration mix is concerned (fixed remuneration + short-term variable remuneration + long-term incentives for the value it was awarded for), it can be indicated that, in a scenario for standard compliance with objectives, between 25/35% of the total remuneration of the Chairman and the CEO is of a fixed nature and 75/65% is of a variable nature.

The remuneration policy of Ferrovial establishes an appropriate balance between the fixed and variable components of the remuneration.

- a) The design of the remuneration scheme shows a balanced and efficient relationship between the fixed components and the variable ones: under standard circumstances of compliance with targets linked to variable remuneration, the fixed element for the Executive Directors represents around 25-35% of the total compensation (fixed + variable annual + long-term incentive). This proportion is considered sufficiently high and not excessive.
- b) 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.

The Appointment and Remuneration Committee consists of 4 members, one of whom is also a member of the Audit and Control Committee. The intersecting membership of these two Committees favours taking into consideration the risks associated to the remuneration in the deliberations of the cited Committees and in their proposals to the Board, both in determining and in the evaluation process for the annual and pluriannual incentives.

The remuneration policy of Ferrovial is designed in consideration of the strategy and the long-term results of the Company:

- a) The total compensation of the Executive Directors consist of different remuneration elements that fundamentally are formed by: i) a Fixed remuneration, ii) Variable Annual Remuneration, and iii) Long-Term Incentive Plans. For the Executive Directors, under standard circumstances of compliance with targets, this long-term element has an approximate weighting of 25-35% of the total direct remuneration (fixed + variable annual + long-term incentive).
- b) The Long-Term Incentive Plans form part of a pluriannual framework to guarantee that the process of evaluation is based upon the long-term results and that it takes into account the underlying economic cycle of the Group. This remuneration is conceded and paid in the form of shares upon the base of the creation of value, in such a way that the interests of managers are aligned with those of the shareholders. In addition, these are overlapping cycles which as a general rule are chained together indefinitely, keeping a permanent focus on the notion of 'long-term' in all the decisions.
- c) Ferrovial has an integrated risk management system called Ferrovial Risk Management (henceforth, FRM) in place. 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 Risks Department is the unit responsible for coordinating the application and benefits of FRM.

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

- Awareness and proportionality of the risk assumed.
- Protection of the health and safety of people.
- Respect for the Corporate Code of Ethics.

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- Definition and delegation of responsibilities.
- Transmission of information.
- Valuation of risks.
- Integration and coordination with other systems.

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 objectives (40% 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, as has been said, the overlapping of the long-term variable remuneration cycles produces interlinkage of the results of each year in, currently, three (3) years of long-term variable incentive, so acting as a catalyst for alignment with the long-term interests of the Company and for prudence in adopting decisions.

With regard to the reimbursements clauses or formulas, in order to be able to claim refund of the variable components of the remuneration if these were paid upon the basis of data whose inaccuracy has been subsequently manifestly accredited, and the measures in place to avoid conflicts of interest, we must consider that:

- (i) The Nomination and Remuneration Committee is empowered to propose, to the Board of Directors, the cancellation of the payment of the variable remuneration in circumstances of this kind.
- (ii) In addition, the Nomination and Remuneration Committee shall assess whether exceptional circumstances of this type could even prompt the extinction of the relationship with the corresponding person(s) responsible proposing to the Board of Directors that the measures which may be appropriate be adopted.
- (iii) Reimbursement clause: the contractual agreements of the Executive Directors include a clause which enables the Company to claim reimbursement of variable components of the remuneration if these were paid upon the basis of data whose inaccuracy has been subsequently accredited.

- Amount and nature of the fixed components expected to accrue to directors in their capacity as such during the year.

A.1.7.

The remuneration of the directors in their standing as such is established taking into account the maximum limit that the General Meeting of Shareholders established in 2009 and the amendments made in the IPC. The total maximum for 2019 as remuneration for belonging to the Board of Directors of the Company has been established at € 1,847,798.15 in application of the CPI for 2018, equal to 1.2.%.

The remuneration consists of the following remuneration elements:

- d) Fixed emolument: Remuneration of the Board of Directors pursuant to the Bylaws, paid on a quarterly basis. The goal is the appropriate remuneration for the dedication demanded by the post, without reaching levels which compromise the independence of the Director. The amount per Director amounts to €35,000 per year.

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e) Allowances:

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

The amount of the attendance fees corresponding to the Chairmen of those bodies stands at twice the amounts indicated, in line with the remuneratory principle of reward upon the basis of the level of responsibility and professional background

f) Complementary fixed emolument Remuneration pursuant to the Bylaws which is paid in a single sum once the financial year is over.

- Chairman of the Board: €92,000 p.a.
- First Vice-chairman: €80,500 p.a.
- Second Vice-chairman: €57,500 p.a.
- Other Board members: €46,000 p.a.

The amounts corresponding with sections a, b, c mentioned will be able to be amended each year within the framework of Article 56 of the Bylaws and within the maximum amounts approved by the General Meeting.

If as a consequence of a number of meetings greater than that initially envisaged, or for some other reason, the amount of the attendance fees, added to that of the fixed components were greater than the total maximum remuneration fixed for membership of the Board for the year in course, the difference shall be deducted from the amount of the complementary fixed emolument, proportionally for each Director, depending on their standing.

- Amount and nature of the fixed components that will be accrued in the year for the performance of senior management duties of the executive directors.

A.1.8.

In accordance with the Policy, the remuneration contained in this section is additional to that established in the previous section.

As indicated above, Directors for performing executive duties within the Company receive a Fixed Remuneration established in accordance with the criteria expressed in section A.1.4., which is paid monthly.

The amounts for the financial year 2019 are as follows: Chairman: 1,455 thousand €; CEO: 1,200 thousand €. These amounts represent a 0% increase on the amounts for 2018.

The remuneration of executive directors has remained stable since 2016.

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- The amount and nature of any component of remuneration in kind that will be accrued in the financial year including, but not limited to, the insurance premiums paid in favour of the director.

A.1.9.

Executive Directors may receive life insurance, company car or medical insurance (flexible remuneration) as remuneration in kind.

The Company has taken out life insurance policies to cover the risk of death and disability of which the Executive Directors are the beneficiaries, the amount of the premium for 2018 being €12 thousand.

- Amount and nature of the variable components, differentiating between those established in the short and long term. Financial and non-financial parameters, including social, environmental and climate change parameters, selected to determine variable remuneration in the current year, an explanation of the extent to which these parameters relate to the performance of both the director and the entity and to its risk profile, and the methodology, period required and techniques envisaged to determine, at the end of the year, the degree of compliance with the parameters used in the design of variable remuneration.

Indicate the range in monetary terms of the different variable components according to the degree of compliance with the established objectives and parameters, and whether there is any maximum monetary amount in absolute terms.

A.1.10.

The remuneration policy only attributes variable component elements to Executive Directors.

i) Annual variable remuneration:

It is linked to individual performance and to the attainment of specific economic-financial, industrial and operational targets, which are predetermined, quantifiable and aligned with the corporate interest as envisaged in the strategic plans of the Company. All of the foregoing without prejudice to the possibility of weighting other targets, in particular, relating to corporate governance and corporate social responsibility, and which may be of a quantitative or qualitative nature.

The quantitative targets shall have a minimum weight of 50% within the entire incentive. They are made up of metrics which guarantee an appropriate balance between the financial and operational aspects of management of the Company.

The Company excludes those extraordinary results that could introduce distortions in the evaluation criteria, being adapted to the result in a like for like manner.

The qualitative targets shall have a minimum weight of 30% within the entire incentive. These are principally linked to the evaluation of the individual performance of the Executive Directors.

In the case of the Chairman, the following will be taken into account:

- Operation of the Board and the Executive Committee
- Corporate Governance;
- Strategic plan;
- Successions;
- Institutional representation.

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In the case of the CEO, the following will be taken into account:

- Implementation of the strategic plan;
- Health and safety, measured by means of the accident index of the Company;
- Boost Innovation and Corporate Social Responsibility-Sustainability;
- Development of professional teams that guarantees the stability in the management and attainment of strategic targets of the organisation;
- Suitability and monitoring of the procedures associated with controlled risk;
- Relationship with stakeholders.

The amount that is the subject of annual variable remuneration for the Executive Directors, in other words, that which corresponds with a standard level of attainment of the targets, is equivalent to 125% of Fixed Remuneration, both for the Chairman and the CEO. Quantitative targets are associated with a scale that allows rewarding the overachievement of targets up to a limit, as a result, the annual variable remuneration may reach up to 190% of the Fixed Remuneration for Executive Directors (pending approval by the General Shareholders' Meeting as mentioned in section A.1.1. above).

ii) Long-Term Incentive Plan.

The Executive Directors participate in a long-term variable remuneration system based on delivery of share plans. They are structured into multi-year cycles (currently 3 years) overlapping, allocations of units being carried out each year, which turn into shares at the end of the cycle (currently 3 years). So that this can happen, certain targets need to be complied with, in addition to remaining at the Company for a certain period (currently 3 years), such targets are related with internal or external metrics that reflect economic and financial targets and/or creation of value for the company. Each metric is associated with a scale of achievement that establishes a minimum level of compliance, under which no incentives are paid, as well as there being a maximum.

The following plans are currently in force with the following metrics:

2016-2018 Plan:

- Gross operating profit on net productive assets: The consolidated Gross Operating Profit of the Company will be considered the operating result, adding to it the gross operating result of the companies that are integrated by the equity method in the process of preparing the consolidated financial statements, in that share percentage that is held in them.

With respect to the concept of Net Production Assets, the total amount of the assets that appear in the consolidated balance sheet of the Company will be considered as such, excluding the assets that can be assigned to projects in the unpaid construction phase. The value corresponding to the proportional part of the Net Production Assets of the companies integrated by the equity method will be added to the result, always exempting the part corresponding to the revaluation of companies derived from disinvestment processes with loss of control.

- Total Shareholder Return (TSR) in comparison with the following group of companies: ACS, OHL, FCC, Abertis, Paris CdG, Fraport, Serco, Carillion, Eiffage, Vinci, Strabag, Skanska, Balfour Beatty, Transurban, SNC Lavalin, Kier, AENA and Ferrovial.

As a result of Carillion's announcement that it was going into liquidation on 15 January 2018 and the takeover of Abertis by Atlantia, the necessary modification of the comparison group has been submitted to the Nominations and Remunerations Committee, replacing these companies with Mitie and Atlantia.

With a view to 2019, the Company plans to submit to the General Shareholders' Meeting the approval of a new Long-Term Incentive Plan with similar characteristics to the previous ones: allocation of units that are converted into shares if the Executive Directors remain at the Company during a maturity period of three years from the date of allocation of the units, other than in

exceptional circumstances such as retirement, invalidity or demise. In addition, it is a condition for the delivery the compliance during the maturity period of certain ratios calculated upon the basis of (i) the profitability achieved; and (ii) the total shareholder return with respect to a comparison group.

For Executive Directors, the approximate maximum value of the units granted, at prices on the date of granting, may reach up to 150% of their fixed remuneration (pending approval by the General Shareholders' Meeting).

The long-term incentive for the allocation of 2016, which will be paid in 2019, has an approximate value (at the date of allocation) of between 85% and 115% of the fixed remuneration.

- iii) Share holding policy in accordance with the Directors' Remuneration Policy, it is established that once the shares or options or rights over shares corresponding to the remuneration systems have been allocated, the Executive Directors must maintain (directly or indirectly) a number of shares of the Company equivalent in value to at least twice their gross fixed remuneration. They also may not exercise the options or rights over shares until a period of at least three years has elapsed from their allocation. The above condition will not apply to any shares that the Director must dispose of, where applicable, to defray costs related to their acquisition. This new wording is pending approval by the General Shareholders' Meeting.

- Main characteristics of the long-term savings systems. Among other information, the contingencies covered by the system, if it is a defined contribution or defined benefit system, the annual contribution to be made to defined contribution systems, the benefit to which the beneficiaries are entitled in the case of defined benefit systems, the conditions of consolidation of the economic rights in favour of the directors and their compatibility with any type of payment or indemnity for termination or early termination, or deriving from the termination of the contractual relationship, under the terms envisaged, between the company and the director shall be indicated.

Indicate whether the accrual or consolidation of any of the long-term savings plans is linked to the achievement of certain targets or parameters related to the short and long-term performance of the director.

A.1.11.

Ferrovial does not have obligations contracted or for pensions with any member of the Board of Directors.

The CEO takes part in a remuneration scheme of a deferred nature that was established at the time of their inclusion in the company's senior management. 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. The fifty percent of the extraordinary remuneration shall be conditional upon compliance with the post-contractual non-competition agreement of two years' duration, agreed between the executive director and the Company.

To cover this, the Company makes annual contributions to a collective savings insurance policy, of which the Company itself is policy holder and beneficiary, quantified according to a certain percentage that has been established, for 2019, as 20% or the annual total remuneration (fixed remuneration plus variable target of 125%) of the executive director.

The right to earn extraordinary remuneration on behalf of the executive director will be incompatible with the payment of any compensation that they may be entitled to as a director, as a result of the termination of their relationship with the company.

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- Any type of payment or indemnity for early termination or termination of the contractual relationship under the terms established between the company and the director, whether the termination is at the will of the company or the director, as well as any type of agreed pacts, such as exclusivity, post-contractual non-attendance and permanence or loyalty, which give the director the right to any type of payment.

A.1.12.

It is not contemplated the payment of any type of compensation to directors in the event of the termination of their duties as such.

- Indicate the conditions that should be respected by the contracts, in terms of who exercises senior management duties like executive directors. Among others, it will inform about the duration, the limits to the amounts of compensation, the duration clauses, the notice periods, as well as the payment as replacement of the cited notice period, and any other such clauses in relation with recruitment bonuses, as well as compensation or shielding due to early termination or termination of the contractual relationship between the company and the executive director. Include, among others, the non-competence, exclusivity, duration or loyalty agreements, as well as post-contractual non-competence, except if they have been explained on a previous section.

A.1.13.

The most important conditions are described below:

- a) Notice period: in the event of termination resulting from causes that are attributable to the Company, they should inform the CEO of the termination with at least three (3) months' notice with regards to the date of termination. Should this period not be complied with, the Company must disburse a sum equivalent to the remuneration corresponding to the notice period remaining.
- b) Duration: the contracts subscribed with the Executive Directors are of indefinite duration.
- c) Causes for termination and compensation:
In the case of the Chairman, the extinction of their contract for any reason shall not entitle them to receive compensation of any kind.
In the case of the CEO, the Company has agreed that, in the event of their release from their duties by decision or unilateral desistance by the Company (unless this is motivated by a serious breach of their obligations) or for economic, organizational, productive or technological reasons, or released because of substantial modification to the conditions of provision of their services, the Director shall be entitled to draw the greater of the two following sums: (i) the obligatory statutory compensation envisaged in general in the Workers' Statute effective upon the date of incorporation to the post of Executive Director, or (ii) the sums accumulated in the extraordinary remuneration system as referred to in the previous section on long-term savings schemes. In the event that, due to a significant change in the ownership of the Company which has as effect a renewal of the governing bodies of the Company or in the content and approach to its principal activity, a substantial modification of the conditions for provision of their services should take place, the CEO may decide to extinguish their relationship with the Company during the six months following the advent of these changes, and shall be entitled in such a case to draw the same compensation as would have been due in the event of release by unilateral decision by the Company.
- d) Exclusivity: the contracts held by the Executive Directors include the obligation to provide services exclusively to the Company, the Director not being permitted to sign contracts with other competitor companies of Ferrovial in their own name, nor through intervening persons, whether these are family members are not, which might entail effective competition with the activities of Ferrovial.

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- e) Non-competition: in accordance with article 41.3 of the Regulations of the Board of Directors, the Director who loses that standing may not provide services to any company in effective competition with the Company and its Subsidiaries for a period of two years, whenever those services are of particular transcendence in relation to the activities in question in which the Company and its Subsidiaries also engage. Nor may they be administrator of the same for a period of two years after leaving the Board. These prohibitions may be waived by the Board of Directors. The contracts signed with the Executive Directors contain an obligation of post-contractual non-competence for a period of two years. In the case of the Chairman, the non-competition clause for 2 years is equivalent to twice his fixed remuneration. In the case of the CEO, 50% of the sum to be drawn in the event of release is subject to compliance with the post-contractual non-competition agreement.
- f) Reimbursement clause: the contractual agreements of the Executive Directors include a clause which enables the Company to claim reimbursement of variable components of the remuneration if these were paid upon the basis of data whose inaccuracy has been subsequently accredited.

- The nature and estimated amount of any other supplementary remuneration that will be accrued by the directors in the current financial year in consideration for services rendered other than those inherent to their position.

A.1.14.

On the date of issue of this report, there is no supplementary compensation accrued to the Directors as compensation for the services provided other than those related with their position.

- Other remuneration items such as those deriving, where applicable, from the granting by the company to the director of advances, loans and guarantees and other remunerations.

A.1.15.

No advances, loans or guarantees are granted to Directors by the Company due to their status as members of the Board of Ferrovial or other Boards of Directors of other Group companies.

- The nature and estimated amount of any expected supplementary remuneration not included in the previous sections, whether paid by the entity or another entity in the group, which will accrue to directors in the current year.

A.1.16.

On the date of issue of this report, no other remuneration concepts has been contemplated in the remuneration system for Directors in relation with those explained in the previous sections. In the event that Executive Directors of Ferrovial should draw fixed emoluments fees for attendance at meetings of the Boards and Committees of other companies of the Group, the sums drawn for this item shall be reduced from the variable annual remuneration of the Director.

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A.2 Explain any significant change in the remuneration policy applicable in the current year arising from:

- A new policy or a modification of the policy already approved by the Board.
- Significant changes in the specific determinations established by the Board for the current year for the remuneration policy in force with respect to those applied in the previous year.
- Proposals that the Board of Directors has agreed to submit to the General Shareholders' Meeting to which this annual report will be submitted and that are proposed to be applicable to the current financial year.

Meaning that the policy for the financial year 2019 is referred to, the elements and characteristics of this policy are maintained in similar terms to those that were applied in the financial year 2016. However, a new policy will be proposed to the Shareholders' Meeting with the following modifications:

i) Specifically:

- It is proposed for approval of the General Shareholders' Meeting that the maximum amount of the annual variable remuneration of Executive Directors be reduced from the 225% of their fixed remuneration contained in the Directors' Remuneration Policy currently in force, to 190% of said fixed remuneration.
- It has also been proposed to increase the maximum value of the long-term incentive at the time it is granted to the Executive Directors, from 125% of the fixed remuneration contained in the current Directors' Remuneration Policy to 150% of said fixed remuneration. It is also proposed that the weight of the total return metric to the incentive shareholder should have a minimum weight of 30%.
- This change implies improving the long-term balance of the variable remuneration, since practically 45% of it will be oriented towards the long term and currently paid in shares of the Company, thus reinforcing the alignment of decision-making and remuneration with the interests of shareholders.

ii) On the other hand, it is proposed to improve the wording of the following aspects of the Remuneration Policy:

- Share holding policy in accordance with the recommendations of the Code of Good Governance of listed companies, it is established that once the shares or the options or rights over shares corresponding to the remuneration systems have been attributed, the Executive Directors must maintain (directly or indirectly) a number of shares of the company equivalent in value to at least two times their fixed gross remuneration, nor may they exercise the options or rights over shares until a period of at least three years has elapsed from their attribution. The above condition will not apply to any shares that the Director must dispose of, where applicable, to defray costs related to their acquisition.

iii) A modification has also been included in the section corresponding to the Remuneration Policy for new appointments so that if there is a new appointment, the Nomination and Remuneration Committee can determine the period necessary for the newly appointed Executive Director to comply with the requirement established in the Share Ownership Policy.

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- A.3 Identify the direct link to the document containing the company's current remuneration policy, which must be available on the company's website.

<https://www.ferrovial.com/wp-content/uploads/2016/03/PropuestaPoliticaRetributivaConsejerosESP.pdf>

- A.4 Explain, taking into account the data provided in section B.4, how the vote of the shareholders was taken into account at the general meeting at which the annual remuneration report for the previous year was submitted to a consultative vote.

The remuneration report was supported by 83.24 % of the votes cast, which was higher than the previous year. In spite of this, improvements have been made to the policy with a view to reinforcing the long-term commitment of the Executive Directors as described in section A.2.

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

- B.1 Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information shall include the role played by the remuneration committee, the decisions taken by the board of directors and, where applicable, the identity and role of the external advisers whose services have been used in the process of applying the remuneration policy in the closed financial year.

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

In 2018, the Board of Directors and the Company's Nomination and Remuneration Committee applied the Remuneration Policy in accordance with the principles, fundamentals and criteria set forth in section A.1.1. of this Report and following the corresponding analysis, it was decided to include certain modifications in it as referred to in the previous section.

- B.2 Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and adjusting it to the company's long-term objectives, values and interests, including a reference to the measures that have been adopted to ensure that the remuneration accrued has taken into account the company's long-term performance and achieved an appropriate balance between the fixed and variable components of remuneration, what measures have been adopted in relation to those categories of personnel whose professional activities have a material impact on the entity's risk profile, and what measures have been adopted to avoid conflicts of interest, if any.

As established in section A.1.3. above, Ferrovial has applied the Remuneration Policy in the closed financial year, which has been designed considering the strategy established and the long-term results of the Company, as well as establishing an appropriate balance between the fixed and variable components of the remuneration of Executive Directors. The measures specifically consist of:

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- Not recognising variable remuneration for directors in their capacity as such.
- Not granting guaranteed variable remuneration to executives.
- Setting maximum payment amounts.
- Having recovery clauses regulated in the Policy and in Executive Directors' contracts.
- The Policy provides for an obligation to hold shares.
- The remuneratory systems for the Executive Directors implicitly include measures of control over excessive risk in their design. In particular, qualitative objectives imply an assessment of performance in terms of risk assumption and compliance with policies established for this purpose.
- That 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.

B.3 Explain how the remuneration accrued during the year complies with the provisions of the remuneration policy in force.

Also report on the relationship between the remuneration obtained by directors and the company's short and long-term results or other performance measures, explaining, where appropriate, how variations in the company's performance may have influenced the variation in directors' remuneration, including accrued remuneration that has been deferred, and how these contribute to the company's short and long-term results.

The remuneration accrued, both fixed and variable, complies with the provisions of the current Directors' Remuneration Policy, and none of the limits established therein have been exceeded. Short-term variable remuneration has decreased in amount, in line with the lower results obtained by the Company.

The variable remuneration of the Executive Directors and senior managers of the Company is linked to various metrics of results and profitability, both corporate and for the business area, during this period. With regard to the Executive Directors, compliance with the targets for results and profitability established at the beginning of financial year 2018 have permitted disbursement of an aggregate total variable remuneration of 2,390 thousand €.

The detail and breakdown of the amounts of short-term and long-term variable remuneration paid individually is given in section B.7 below.

In accordance with the Policy, the short- and medium-term variable remuneration systems include measures that take into account possible variations in the Company's results, which include the following:

- Both the annual variable remuneration and the medium- and long-term variable remuneration include defined scales of achievement that take into account the economic-financial and operational objectives 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, variations in the Company's short and long-term performance will have a direct impact on the amount of variable remuneration to be received by directors.
- In addition, in the case of variable remuneration, when determining the level of compliance with quantitative targets, extraordinary results that could introduce distortions are eliminated.
- The variable annual, medium- 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.

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

	Number	% on the total
Votes cast	476,318,215	65.05%

	Number	% over cast
Votes against	68,164,602	14.31%
Votes in favour	396,471,912	83.24%
Abstentions	11,681,701	2.45%

Remarks

B.5 Explain how the fixed components accrued during the year by the directors in their capacity as such were determined, and how they varied with respect to the previous year.

As from 1 July 2014, the totality of the remuneration of the Directors in their standing as such is either on a fixed basis or for attendance, and is linked exclusively to their level of responsibility and dedication, while their independence and long-term commitment are guaranteed.

The maximum total remuneration approved for 2018 for all items, for membership of the Board of Directors of the Company, stands at €1,825.89 thousand. The variation over 2017 is a consequence of the application of the IPC, which stood at 1,1%. See details in section D.

The Board of Directors, at its meeting on 28 February 2019, has decided, within the maximum limits approved by the General Meeting, to supplement the amount corresponding to 2018 by €167,955 for the Board as a whole in the concept of complementary fixed assignment, this amount being distributed among the Directors taking into account their time of permanence on the Board during 2018.

(i) Fixed emolument: in 2018 the aggregated fixed emolument stood at 414 thousand €.

(ii) Complementary fixed emolument: in 2018, the complementary fixed emolument reached 804 thousand €.

(iii) Attendance fees: the Directors receive a fixed sum for attending meetings of the Board of Directors and of its delegated or advisory Committees. Details of the sums received per meeting in 2018 are given hereunder:

- 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 2018 reached 607 thousand €.

The total amount paid for belonging to the Board, in their capacity as such, to the Directors was 1,826 thousand €.

B.6 Explain how the salaries accrued, during the year ended, by each of the executive directors for the performance of management duties have been determined and how they have varied with respect to the previous year.

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The amount of the fixed remuneration for the Executive Directors corresponding to financial year 2018 has reached an overall total of €2,655 thousand €1,455 thousand for the Chairman and €1,200 thousand for the CEO. This remuneration is the same as for previous years, in accordance with the provisions of the Remuneration Policy.

B.7 Explain the nature and main characteristics of the variable components of the remuneration systems accrued in the year ended.

In particular:

- Identify each of the remuneration plans that determined the various variable remunerations accrued by each of the directors during the year ended, including information on their scope, date of approval, date of implementation, accrual periods and validity, criteria used to evaluate performance and how this has impacted on the determination of the variable amount accrued, as well as the measurement criteria used and the period necessary to be able to adequately measure all the conditions and criteria stipulated.

In the case of share option plans or other financial instruments, the general characteristics of each plan shall include information about the conditions both for acquiring unconditional ownership (consolidation) and for exercising those options or financial instruments, including the price and term of the exercise.

- Each of the directors, and their category (executive directors, external proprietary directors, external independent directors or other external directors), who are beneficiaries of remuneration systems or plans that include variable remuneration.
- Where applicable, information shall be provided on the established accrual or deferral periods that have been applied and/or the periods of retention/disposal of shares or other financial instruments, if any.

Explain the short-term variable components of compensation systems

In accordance with the Remuneration Policy, both the current policy and the policy to be submitted for approval, only Executive Directors may receive variable remuneration.

(i) Variable Annual Remuneration. With regard to this remuneration, the level of achievement of the 2018 targets was 74% of the target (41% of the maximum possible) for the Chairman and 70% of the target (39% of the maximum possible) for the Chief Executive Officer. These levels of achievement imply a payment of 92% and of the 88% of the fixed remuneration, respectively.

The breakdown of the degree of achievement of the different targets were as follows:

Quantitative:

- Chairman and CEO Net income targets : below the target
- Chairman and CEO Cash flow targets: on target

Qualitative:

Chairman:

- Operation of the Board and the Executive Committee: the intended objective has been met.
- Corporate governance: the intended objective has been met.
- Strategic plan: the intended objective has been partially met.
- Successions: the intended objective has been met.
- Institutional relations: the intended objective has been met.

CEO:

- Compliance of the strategic plan: the intended objective has been partially met.
- Employee health and safety, as measured by the Company's accident rates: the intended objective has been met.
- Promotion of Innovation and Corporate Social Responsibility-Sustainability: the intended objective has been met.
- Development of professional teams that guarantees the stability in the management and attainment of strategic targets of the organisation: the intended objective has been met.
- Suitability and monitoring of the procedures associated with the taking on of controlled risk: the intended objective has been met.
- Relationship with stakeholders: the intended objective has been met.

The breakdown of the amounts of variable remuneration that the Executive Directors will therefore receive in 2019, corresponding to the objectives set for 2018, is as follows: Chairman: € 1,337 thousand; CEO: € 1,053 thousand.

Explain the long-term variable components of compensation systems

(ii) Long Term Incentive Plan: Plans for delivery of shares.

En 2018, the third cycle of the Share Delivery Plan 2013-2015 concluded. 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 Finance, 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. The award made in 2015 was paid in March 2018.

The degree of compliance with the various metrics were as follows: The RBE/ANP has exceeded the target of 10.5% while the Activity Flow has exceeded the established target of exceeding by 10% the budget for this cumulative concept referred to the three years of measurement.

Both metrics together with the positioning of the RTA provides a joint compliance of 100% which involves the payment of 100% of the incentive anticipated which means, at award prices, 89% of the fixed annual remuneration of the Chairman and 108% of the fixed annual remuneration of the CEO.

However, at settlement prices, the value of the incentive has decreased by 14% with respect to the previous year.

B.8 Indicate whether certain variable components have been reduced or claimed back when, in the first case, payment has been consolidated and deferred or, in the second case, consolidated and paid, on the basis of data whose inaccuracy has subsequently been proven manifestly inaccurate. Describe the amounts reduced or refunded by the application of the clawback clauses, why they were executed, and the years to which they relate.

There has been no reduction or dunning of any type of variable component in the financial year.

B.9 Explain the main characteristics of long-term savings systems whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survivor's benefit, which are partially or totally financed by the company, whether internally or externally endowed, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies it covers, the conditions for consolidating the economic rights in favour of the directors and its compatibility with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

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Deferred remuneration plan for the CEO

The CEO takes part in a remuneration scheme of a deferred nature that was established at the time of their inclusion in the company's senior management. 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. The fifty percent of the extraordinary remuneration shall be conditional upon compliance with the post-contractual non-competition agreement of two years' duration, agreed between the executive director and the Company.

To cover this, the Company makes annual contributions to a collective savings insurance policy, of which the Company itself is policy holder and beneficiary, quantified according to a certain percentage that has been established, for 2019, as 20% or the annual total remuneration (fixed remuneration plus variable target of 125%) of the executive director.

The right to earn extraordinary remuneration on behalf of the executive director will be incompatible with the payment of any compensation that they may be entitled to as a director, as a result of the termination of their relationship with the company.

The contributions made under this heading in 2018, including costs, stood at 542 thousand €, the accumulated total at the date of closure of this report being 7,210 thousand €.

- B.10 Explain, if applicable, the indemnities or any other type of payment arising from early termination, whether at the will of the company or of the director, or from the termination of the contract, under the terms provided therein, accrued and/or received by the directors during the closed financial year.

Not applicable

- B.11 Indicate whether there have been any significant changes in the contracts of those exercising senior management duties as executive directors and, if so, explain them. Likewise, explain the main conditions of the new contracts signed with executive directors during the year, unless they have already been explained in section A.1.

Not applicable

- B.12 Explain any supplementary remuneration accrued by the directors as compensation for the services provided other than those related with their position.

Not applicable

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B.13 Explain any remuneration arising from the granting of advances, loans and guarantees, indicating the interest rate, their essential characteristics and any amounts repaid, as well as the obligations assumed on their behalf by way of guarantee.

Does not apply as none of these items have been received

B.14 List the remuneration in kind earned by the directors during the year, briefly explaining the nature of the different salary components.

The Company has subscribed life assurance policies to cover the risk of demise or incapacity of the Executive Directors. The amount of the life insurance premium for the Chairman and Chief Executive Officer is €8 thousand and €4 thousand, respectively.

B.15 Indicate the remuneration accrued by the director in virtue of the payments that the company makes contributed to a third party entity in which the director is provided with services, when the said payments are aimed at remunerating the services of such director in the company.

Not applicable

B.16 Explain any other remuneration concept other than those mentioned above, regardless of their nature or the group entity that pays it, especially when it has the consideration as an associated transaction or its issuing distorts the faithful image of the total remuneration accrued by the director.

Not applicable

C LIST OF INDIVIDUAL REMUNERATIONS FOR EACH DIRECTOR

Name	Type	Accrual period financial year t
Mr. Rafael del Pino y Calvo-Sotelo	Executive Chairman	From 01/01/2018 until 31/12/2018
Mr. Santiago Bergareche Busquet	Vice-chairman another external	From 01/01/2018 until 31/12/2018
Mr. Joaquín Ayuso García	Vice-chairman another external	From 01/01/2018 until 31/12/2018
Mr. Iñigo Meirás Amusco	Chief Executive Officer	From 01/01/2018 until 31/12/2018
Ms. María del Pino y Calvo-Sotelo	External Proprietary Director	From 01/01/2018 until 31/12/2018
Mr. Santiago Fernández Valbuena	Independent Director	From 01/01/2018 until 31/12/2018
Mr. José Fernando Sánchez-Junco Mans	Independent Director	From 01/01/2018 until 31/12/2018
Mr. Joaquín del Pino y Calvo-Sotelo	External Proprietary Director	From 01/01/2018 until 31/12/2018
Mr. Oscar Fanjul Martín	Independent Director	From 01/01/2018 until 31/12/2018
Mr. Philip Bowman	Independent Director	From 01/01/2018 until 31/12/2018
Ms. Hanne Birgitte Breinbjerg Sørensen	Independent Director	From 01/01/2018 until 31/12/2018
Mr. Juan Arena de la Mora	Independent Director	From 01/01/2018 until 26/07/2018
Mr. Bruno Di Leo	Independent Director	From 25/09/2018 until 31/12/2018

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C.1 Complete the following tables with regard to the individual remuneration of each one 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 belonging to Board Committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total financial year t	Total financial year t-1
Rafael del Pino y Calvo-Sotelo	35	85		1,455	1,337			106	3,018	4,085
Santiago Bergereche Busquet:	35	53						95	183	180
Joaquín Ayuso García:	35	43						72	150	154
Iñigo Meirás Amusco	35	43		1,200	1,053			60	2,391	3,320
María del Pino y Calvo-Sotelo	35	43						60	138	140
Santiago Fernández Valbuena	35	68						60	163	158
José Fernando Sánchez-Junco Mans	35	62						60	157	155
Joaquín del Pino y Calvo-Sotelo	35	36						60	131	129
Oscar Fanjúl Martín	35	48						60	143	151
Philip Bowman	35	43						60	138	129
Hanne Birgitte Breinbjerg Sørensen	35	43						60	138	99
Juan Arena de la Mora	20	31						34	85	128
Bruno Di Leo	9	12						16	37	

Remarks

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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 beginning of year t		Financial instruments granted during financial year t		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of year t	
		No. instruments	No. Equivalent shares	No. instrument ESM	No. Equivalent shares	No. Instruments	No. Equivalent shares consolidated	Price of the consolidated shares	Profit Gross of the shares or financial consolidated instruments (€ thousand)	No. instruments	No. instruments	No. Equivalent shares
Rafael del Pino y Calvo-Sotelo	Plan P.Shares 2015		69,800				69,800	17,25	1,204.1			0
	Plan P.Shares 2016		74,000									74,000
	Plan P.Shares 2017		76,850									76,850
	Plan P.Shares 2018				73,900							73,900
Íñigo Meirás Amusco	Plan P.Shares 2015		69,800				69,800	17,25	1,204.1			0
	Plan P.Shares 2016		74,000									74,000
	Plan P.Shares 2017		76,850									76,850
	Plan P.Shares 2018				73,900							73,900

Remarks

iii) Long-term savings systems

	Remuneration for consolidation of rights to savings systems

Name	Contribution during financial year by Company (€ thousand)				Amount of accumulated funds (€ thousand)			
	Savings systems with consolidated economic rights		Savings systems with non-consolidated economic rights		Financial year t		Financial year t-1	
	Financial year t	Financial year t-1	Financial year t	Financial year t-1	Systems with rights consolidated economic	Systems with rights non-consolidated economic rights	Systems with consolidated economic rights	Systems with non-consolidated economic rights
	Íñigo Meirás			542	542		7,210	

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Remarks

iv) Breakdown of other items

Name	Item	remuneration amount
Rafael del Pino y Calvo-Sotelo	Life assurance premiums	8
Iñigo Meirás Amusco	Life assurance premiums	4

Remarks

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 belonging to Board Committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total financial year t	Total financial year t-1
Joaquín Ayuso García:			38						38	31

Remarks

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

Name	Name of the Plan	Financial instruments at beginning of year t		Financial instruments granted during financial year t		Financial instruments consolidated in the financial year				Instruments expired and not exercised	Financial instruments at the end of year t	
		No. Instruments	No. Equivalent shares	No. Instruments	No. Equivalent shares	No. Instruments	No. Equivalent shares consolidated	Price of the shares consolidated	Profit Gross of the shares or financial consolidated instruments (€ thousand)	No. Instruments	No. instrument	No. Equivalent shares

Remarks

English translation for information purposes only. In the event of discrepancies between English and Spanish version, the Spanish version shall prevail.

iii) Long-term savings systems

	Remuneration for consolidation of rights to savings systems

Name	Contribution during financial year by Company (thousand €)			Amount of accumulated funds (€ thousands)			
	Savings systems with consolidated economic rights		Savings systems with non-consolidated economic CONSOLIDATED	Financial year t		Financial year t-1	
	Financial year t	Financial year t-1	Financial year t-1	Systems with rights consolidated economic	Systems with non-consolidated economic rights	Systems with consolidated economic rights	Systems with non-consolidated economic rights

Remarks

iv) Breakdown of other items

Name	Items	remuneration amount

Remarks

English translation for information purposes only. In the event of discrepancies between English and Spanish version, the Spanish version shall prevail.

c) Summary of remuneration (thousand €):

The summary should include the amounts corresponding to all the remuneratory items included in the present report drawn by the Director, in thousands of euros.

Name	Remuneration accrued in the Company					EBIT remuneration accrued in companies of the Group				
	TOTAL Cash Remuneration	Gross profit from the shares or consolidated financial instruments	Remuneration for savings systems	Remuneration for other items.	Total financial year t company	TOTAL Cash Remuneration	Gross profit from the shares or consolidated financial instruments	Remuneration for savings systems	Remuneration for other items	Total financial year t group
Rafael del Pino y Calvo-Sotelo	3,018	1,204			4,222					
Santiago Bergereche Busquet:	183				183					
Joaquín Ayuso García:	150				150	38				38
Iñigo Meirás Amusco	2,391	1,204			3,595					
María del Pino y Calvo-Sotelo	138				138					
Santiago Fernández Valbuena	163				163					
José Fernando Sánchez-Junco Mans	157				157					
Joaquín del Pino y Calvo-Sotelo	131				131					
Oscar Fanjúl Martín	143				143					
Philip Bowman	138				138					
Hanne Birgitte Breinbjerg Sørensen	138				138					
Juan Arena de la Mora	85				85					
Bruno Di Leo	37				37					
Total:	6,872	2,408			9,280	38				38

Remarks

D) OTHER INFORMATION OF INTEREST

Should there be any other relevant aspect of the remuneration of the Directors which it has not been possible to set out in the remaining sections of the present report, but which it may be necessary to include to provide more complete and justified information about the structure and remunerative practices of the Company in relation to its Directors, give brief details.

The General Shareholders' Meeting of 22 October 2009 established an annual fixed remuneration for the entirety of the members who at that moment formed part of the Board of Directors of €1,772,772, adjustable according to any variations that might take place in the number of Directors and on the basis of the time served in post of the incoming and outgoing Directors. In addition, the same General Shareholders' Meeting

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determined that, in successive financial years, the amount set in 2009 would be revised automatically in terms of the variation experienced in the year-on-year rate for the month of December of each financial year corresponding to the official inflation rate (IPC) published by the National Statistical Institute (INE). As a consequence, the joint annual fixed remuneration for the Directors, determined by the General Shareholders' Meeting of the Company, takes as reference the amount for the preceding financial year, revised according to the IPC and adjusted according to changes in the composition of the Board which may have taken place during the financial year.

Table C.1.a.i) lists the amount of the fixed Complementary Allocation in the "Other items" field (see A.1.7.).

Ferrovial, S.A. has taken out a civil liability insurance policy whose policyholders are the directors and executives of companies in the group whose parent company is Ferrovial, S.A. These policyholders include the directors of Ferrovial, S.A.

The premium paid in 2018 2018 for the aforementioned insurance amounts to €592 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.

This Annual Report on Directors' Remuneration was approved by the Board of Directors of the Company at its meeting on February 28, 2019.

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