



## **ANNUAL REPORT ON DIRECTOR REMUNERATION**

**2022**

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### **ISSUER IDENTIFICATION DETAILS**

**Year-end date:** 31/12/2022

**Tax ID (N.I.F.):** A48027056

**Company Name:** ELECNOR, S.A.

**Registered Office:** C. del Marqués de Mondéjar, 33, 28028 Madrid

## **ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES**

### **A) REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR (2023)**

A.1.1 Explain the current Directors' Remuneration Policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

- a) Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.
- b) Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.
- c) Information on whether any external advisors took part in this process and, if so, their identity.
- d) Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

The purpose of the current Directors' Remuneration Policy, approved by the General Meeting on 18 May 2022, as described later in this report, and applicable to the period remaining in the 2022 financial year since its approval and for the 2023, 2024 and 2025 financial years (the "Policy"), is to define the Company's remuneration practices in relation to its Directors, thereby contributing to the sustainable creation of value for its Shareholders in the long term. Consequently, the Appointments, Remunerations and Sustainability Committee will perform an ongoing review to ensure that the Remuneration Policy is contributing to long-term value creation for Shareholders and other stakeholders of the Company.

The following bodies take part in the process for the determination, approval and application of the Policy:

- (i) The **Appointments, Remunerations and Sustainability Committee**: this Committee, made up solely by Non-executive Directors, in addition to drawing up the proposal for the Remuneration Policy to be referred to the Board of Directors, must also approve a specific report explaining and justifying the Remuneration Policy.

Likewise, the Appointments, Remunerations and Sustainability Committee will perform a regular review of the remuneration policy applied to the Directors and members of the management team, including, as appropriate, the remuneration systems with shares and their application, ensuring that the individual remuneration will be proportionate to the remuneration being paid to the rest of the Directors and to the members of the Company's management team.

In turn, this Committee will inform the Board of Directors about the individual determination of the remuneration of each Director for the discharge of their non-

executive duties within the framework of the Articles of Association and of the Remuneration Policy, as well as in relation to the individual determination of the remuneration of each Director for the discharge of the executive duties assigned to them within the framework of the Remuneration Policy and in accordance with the provisions of their contracts.

(ii) The **Board of Directors** is the body responsible for making a reasoned proposal for the Remuneration Policy to the General Shareholders' Meeting, making the proposal available to the Meeting at the time when it is called. Likewise, the Board of Directors is the competent body for the determination and approval of the terms and conditions of the Company's Chief Executive Officer, on the proposal of the Appointments, Remunerations and Sustainability Committee and within the framework of the Remuneration Policy approved by the General Shareholders' Meeting (articles 249 and 529 octodecies LSC). The Chief Executive Officer will abstain from participating in the discussion and voting on these resolutions.

(iii) The **General Shareholders Meeting**: will approve — as the case may be — the Company's Remuneration Policy, which will remain in effect as from the time of its approval and throughout the following three financial years, and will also be the body responsible for determining for each financial year the maximum amount of the remuneration that the Directors will be entitled to receive. To avoid possible conflicts of interest, the Directors who, following a public request, are designated as proxies by a shareholder for the General Meeting, will abstain from exercising the right to vote pertaining to the shares represented with respect to the resolutions relating to the Remuneration Policy, unless they have received voting instructions in this regard. Any amendment or replacement of the Policy will also require prior approval by the General Shareholders' Meeting, without prejudice to the provision contained in article 529 novodecies LSC, with respect to those remunerations expressly approved by the Meeting.

Specifically, and for the purpose of expressly including the new points included in the Good Governance Code approved by the CNMV (Spain's National Securities Market Commission) in June 2020 and in Act 5/2021, of 12 April, amending the revised text of the Spanish Companies Act, with respect to the furthering of the long-term involvement of the shareholders in listed companies, dated 18 May 2022, Elecnor's General Shareholders' Meeting, on the proposal of the Board of Directors and of the Company's Appointments, Remunerations and Sustainability Committee, approved the new Policy, with the affirmative vote of 96.79% of the share capital present in person and by proxy. This Policy had been previously approved by the Company's Board of Directors through a resolution dated 30 March 2022 on a proposal by Elecnor's Appointments, Remunerations and Sustainability Committee, following a reasoned report, at a meeting held on 28 March 2022.

The current Policy, which continues along the lines of the previous Remuneration Policy, intends for the remuneration system of all of the Directors, both for the discharge of their non-executive duties as well as for the discharge of such duties by the Chief Executive Officer, to be set in the framework of the new remuneration system described in art. 12 of the Articles of Association, amended by the General Shareholders' Meeting held on 18 May 2022, and to contribute to the attraction, retention and development of the best talent, thereby contributing to the business strategy and to the interests and long-term sustainability of the Company.

In this regard, the Policy is governed by the following fundamental principles:

- **Moderation:** the remunerations must be reasonable, in line with the trends and references of similar companies, and maintain a reasonable proportion with the Company's situation and the circumstances of the economy at all times, taking into account, in the case of remunerations tied to the Company's results, the eventual reservations that could appear in the external auditor's report reducing such outcomes.

- **Proportionality:** the Directors' remuneration will be reasonably proportionate to the importance of the Company, its financial situation at all times and the evolution of its consolidated profits, as well as to the market standards of comparable companies.
- **Adequacy:** the Directors' remuneration will be that which is necessary for attracting and retaining Directors with the desired profile and for rewarding the dedication, qualification and responsibility the office requires, but not so high as to compromise the independence of criteria of the Non-executive Directors.
- **Profitability and sustainability:** the remunerations of the Chief Executive Officer will serve as an incentive for performance and professional output and will reward long-term value creation, ensuring the Officer's alignment with the interests of the Company and its shareholders. Accordingly, and in particular, the objective of the Policy is to provide an incentive in the long term for the sustainable attainment of results and an alignment with the interests of the Shareholders and all of the stakeholders of the Company.
- **Transparency:** the design, approval and application of the Policy will be carried out by ensuring adequate transparency. In particular, in the event of submitting a new Policy or an amendment thereof for approval, the Company will make available to the Shareholders a reasoned proposal concerning the Policy, together with the specific report to be prepared by the Appointments, Remunerations and Sustainability Committee when the General Meeting is called, providing full information on the preparation, approval or, as the case may be, the amendment and implementation of the Policy both in the notes to the annual accounts as well as in the Company's Annual Report on Director Remuneration.
- **Protection of the Shareholders' interests:** the current Policy seeks to establish a Director Remuneration system that will protect the interests of the Shareholders in the short, medium and long term.

The pay and employment conditions of the Company's workers have been taken into account for the establishment of the remuneration terms of the Directors set out in the Policy. Accordingly, the remuneration system established in the Policy is included in the Elecnor Group's Equality Plan, which expresses and formalises the Company's commitment and strategic positioning in order to further equal opportunities, respect for diversity and non-discrimination in all of the activities associated with people management, and intends for the remuneration policies and practices to ensure at all times non-discrimination on the basis of sex, age, culture, religion, race, or any other circumstance.

#### **A. Director remuneration system for the discharge of non-executive duties**

In accordance with the relevant legislation and article 12 of the Articles of Association, the Company's Directors will have the right to receive remuneration for the performance of the non-executive tasks which are their responsibility, consisting of an annual fixed amount in cash, allowances for attendance at meetings of the Board of Directors and, also, the Directors shall be included in the civil liability insurance policy for members of the management team and Directors arranged by the Company at all times.

Likewise, they can be paid or reimbursed, as appropriate, the reasonable and duly justified expenses they incur as a consequence of their travel, attendance at meetings and other tasks directly related to the discharge of the duties of their office.

In addition, those Directors who belong to the Committees of the Board of Directors will receive an additional fixed remuneration, as will also apply in the case of the Chairperson of the Board.

All of the foregoing will be explained in greater detail in paragraph A.1.3. below.

Pursuant to art. 12 of the Articles of Association, the Policy determines that the maximum annual amount of the remunerations which the Company may pay to its Directors taken overall for the items set out in this section must not exceed the amount of four (4) million euros. This amount will remain in place until such time as it is changed through a new resolution passed by the General Shareholders' Meeting.

## **B. Director remuneration system for the discharge of executive duties**

The Company has only one Executive Director, the Chief Executive Officer.

The remuneration of the Chief Executive Officer for the discharge of executive duties shall be independent and compatible with the remunerations and compensations established for Directors for the performance of non-executive functions and shall be in line with the remuneration policy in force at any given time.

In this context, pursuant to article 12 of the Articles of Association and to the current Remuneration Policy, in addition to the remuneration for the discharge of non-executive duties, the Company's Chief Executive Officer will be entitled to receive the remuneration stipulated in his contract on the basis of the following possible items:

- a. An annual fixed remuneration in cash which, as set out in the Policy, will amount to EUR 588,379. Nevertheless, the possibility has been established for the Board of Directors, on a proposal and following a report by the Appointments, Remunerations and Sustainability Committee, to determine specific variations in the Chief Executive Officer's fixed remuneration during the period of validity of the Policy, provided that such pay does not exceed the amount of EUR 750,000 per year
- b. A variable remuneration, linked both to personal and the Company's performance, calculated on the basis of qualitative and quantitative reference indicators or parameters, both financial and non-financial, tied to the degree of achievement with quantifiable and measurable objectives set by the Board of Directors, at the proposal of the Appointments, Remunerations and Sustainability Committee.

The Company has two variable remuneration schemes applicable to the Chief Executive Officer: short-term (annual) variable remuneration and long-term variable remuneration, in the terms stated in paragraph A.1.2. below.

- c. Other remuneration items:
  - o A remuneration based on the handover of Company shares or share options.
  - o The following benefits or remuneration in kind: (i) continuing entitlement to participate in the corporate welfare systems (for survivor, illness, accident coverage, etc.) in terms similar to those established at all times on a general basis for the executives of the Company; and (ii) being included as a beneficiary of a life insurance policy and health insurance, as well as enjoying all of those benefits which, as the case may be, the Company makes available to its executives taken as a group.
  - o As well as future compensation for the termination of their contract, provided that their termination does not stem from reasons of noncompliance with their duties.

In the current Policy no procedures are considered for the application of temporary exceptions to it.

On the other hand, in the drafting of the current Directors' Remuneration Policy, the Appointments, Remunerations and Sustainability Committee and the Board of Directors had recourse to external consultancy provided by the Écija Abogados law firm. Likewise, comparable companies, essentially in terms of invoicing and business sector, were taken into account for establishing the Company's Directors' Remuneration Policy.

Finally, it is noted here that the Remuneration Policy approved by the General Shareholders' Meeting, together with the date and the result of the voting, is available on the Elecnor Group's corporate website.

**A.1.2** [Relative importance of variable remuneration items vis-à-vis fixed remuneration \(remuneration mix\) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the 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, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.

Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

The Company has only one Executive Director (the Chief Executive Officer), who is the only member of the Board of Directors receiving a variable remuneration.

The Chief Executive Officer's variable remuneration is tied to the Company's outcomes and to the director's personal performance, calculated on the basis of qualitative and quantitative reference indicators or parameters, both financial and non-financial, in relation to the degree of achievement of targets.

In this regard, the Chief Executive Officer's variable remuneration will be determined, in accordance with his contract, in relation to the degree of achievement of a number of quantifiable and measurable targets, which will be set by the Board of Directors, on the proposal of the Appointments, Remunerations and Sustainability Committee, within the framework of the Remuneration Policy.

In any case, and in conformity with the initiatives of the Elecnor Group's Sustainability Strategy, the variable components of the Chief Executive Officer's remuneration are tied to predetermined and measurable criteria that consider the risk assumed for the obtaining of a result, promote the Company's sustainability and are shaped on the basis of a balance between the attainment of short-, medium- and long-term targets, in such a way that these do not derive solely from one-off, occasional or extraordinary events or from the general evolution of the markets or of the Company's sector of activity. Thus, the remunerations of the Chief Executive Officer should serve as an incentive for performance and reward long-term value creation.

In terms of the relative importance of the variable remuneration items in comparison to the fixed items (remuneration mix), it should be noted that the Company has two variable remuneration schemes applicable to the Chief Executive Officer:

**a) Short-term (annual) variable remuneration:**

The Chief Executive Officer's variable remuneration for each financial year could amount to as much as 160% of the Chief Executive Officer's annual fixed remuneration and will accrue in relation to the attainment of specific previously determined targets, between 50% and 80% of which will refer to financial questions of the Group and between 20% and 50% to non-financial parameters of the Group.

The limit of the potential overachievement is placed at 120% and, as regards the lower part of the range, EAT and contracting are key considerations, according to each case, and must reach at least 80% of the target in order to enable the application of this annual variable incentive.

The Board of Directors, following a proposal by the Appointments, Remunerations and Sustainability Committee, will approve the targets at the start of each financial year. Likewise, at the end of the year and within a maximum time limit of four (4) months, the

Appointments, Remunerations and Sustainability Committee will evaluate the degree of achievement of the targets previously set and draw up a proposal for their payment within a time limit of six (6) months as from the date of attainment, taking into account the Company's cash needs and any other circumstances that could concur, for submission to the Board of Directors for approval.

**b) Long-term (multiannual) variable remuneration:**

The Chief Executive Officer is the beneficiary of a multiannual remuneration derived from a long-term incentives plan approved in the 2020 financial year for the 2020-2022 period, which could amount to as much as 50% of the average of his annual variable remuneration over the last three (3) years and will accrue in relation to the achievement of previously determined targets, 80% of which will refer to financial questions of the Group and 20% to non-financial parameters of the Group.

The multiannual variable remuneration will be paid within a maximum time limit of four (4) months as from the end of the long-term incentives plan, once the Appointments, Remunerations and Sustainability Committee has evaluated the extent to which both the financial as well as the non-financial parameters have been met and submits a proposal to the Board of Directors for its payment, within a time limit of six (6) months as from the date of completion, taking into account the Company's cash needs and any other circumstances that could concur.

Moreover, the Company plans to approve a new long-term incentives plan for the Chief Executive Officer for the 2023-2025 period, based on economic-financial targets, targets for the creation of value for the Shareholders and targets relating to environmental, social and corporate governance factors (ESG).

The metrics and the targets connected with the variable remuneration of the office of Chief Executive Officer will be proposed by the Appointments, Remunerations and Sustainability Committee, taking into account for this purpose their possible impact in the long term, the sustainability of the results and any associated risk whatsoever.

Notwithstanding the foregoing, the variable remuneration of the Director who discharges executive duties is not guaranteed and is completely flexible, in such a way that the Director might not receive any amount whatsoever for this item if the minimum thresholds of attainment are not achieved.

Finally, the contract with the Chief Executive Officer includes a clawback clause, according to which the Chief Executive Officer must return to the Company those amounts received as variable remuneration or resulting from the settlement of incentive plans, if at any time during (1) year subsequent to the payment thereof, as a consequence of a culpable action or involving serious negligence by the Chief Executive Officer, the following circumstances would have arisen: (i) alterations or inaccuracies would have been evidenced in the business data which were relevant for calculating the variable remuneration or incentive plans and these are confirmed by the Company's external auditors; (ii) as a consequence of the preceding circumstance, the Company would need to significantly restate its accounts. The Chief Executive Officer must pay the amount notified by the Company within a time limit of forty-five (45) days following the date on which he was given notice to do so.

**A.1.3 Amount and nature of fixed components due to be accrued during the year by directors in their capacity as such.**

The current Remuneration Policy establishes the criteria for determining the annual fixed remuneration of each Director, taking into account, among other aspects: (i) the specific duties and responsibilities assumed; (ii) the experience and knowledge required for performing such duties; and (iii) other objective circumstances as may be considered relevant.

Taking into account the foregoing, it has been determined that each of the Company's Directors will receive a fixed remuneration for the discharge of their non-executive duties, during the 2023 financial year, in the amount of EUR 143,500.

In addition, those members of the Board who serve on:

- the **Executive Committee** will be paid an additional annual fixed remuneration in the amount of EUR 30,000;
- the **Audit Committee** will be paid an additional annual fixed remuneration in the amount of EUR 20,000, and the Chairperson of that Committee will receive an annual fixed amount of EUR 25,000; and
- the **Appointments, Remunerations and Sustainability Committee** will be paid an additional annual fixed remuneration in the amount of EUR 17,500, while the annual remuneration of its Chairperson will be EUR 22,500.
- the **Elecnor Committee**, provided for in the Structure Definition Policy of the Elecnor Group, will be paid an additional annual fixed remuneration in the amount of EUR 12,500 for their participation in the meetings of that Committee.

Finally, the **Chairperson of the Board** will be paid an additional annual fixed remuneration in the amount of EUR 270,000.

The preceding amounts may be modified by the Board of Directors, following a report by the Appointments, Remunerations and Sustainability Committee, in view of the specific circumstances of each Director, such as their track record and professional experience, their capacities and skills for the discharge of the duties of the office, observing in any case the maximum limit established in the Directors' Remuneration Policy for the performance of non-executive duties (EUR 4 million yearly).

In addition, the members of the Board of Directors will be entitled to receive the amount of EUR 1,500 euros for their personal and effective attendance at each of the meetings of the Board of Directors held

#### A.1.4 Amount and nature of fixed components due to be accrued during the year for the performance of senior management functions of executive directors.

As mentioned in paragraph A.1.1. above, and in accordance with what has been established in the Remuneration Policy applicable to the rest of the 2022 financial year and to the 2023, 2024 and 2025 financial years, the Company's Chief Executive Officer will be paid the amount of EUR 588,379 on a yearly basis, as fixed remuneration for the discharge of his executive duties. Nevertheless, the Board of Directors, on a proposal and following a report by the Appointments, Remunerations and Sustainability Committee, will be able to decide on specific variations in the Chief Executive Officer's fixed remuneration during the period of validity of the Policy, provided that such changes do not exceed an annual amount of EUR 750,000.

For the determination of the fixed remuneration and of its possible revisions, the Board of Directors, following a report by the Appointments, Remunerations and Sustainability Committee, must take into account the principles of the Remuneration Policy, as well as, whenever advisable, appropriate salary analyses, for the purpose of establishing a suitable remuneration for retaining the Chief Executive Officer and for rewarding his dedication, qualification and responsibility, also taking into account the market standards of similar companies.

In the event that such variations do occur, this must be reflected in the Annual Report on Director Remuneration.



A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

During the 2023 financial year, the Company will have the following insurance coverage in place for its directors:

- Life insurance, with an estimated premium for 2023 totalling EUR 4,956.
- Health insurance, with an estimated premium for 2023 totalling EUR 1,038.12.

A.1.6 Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

Indicate the range, in monetary terms, of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

As indicated in paragraph A.1.2. above, the Company has two variable remuneration schemes applicable to the Chief Executive Officer :

**a) Short-term (annual) variable remuneration:**

The Chief Executive Officer's variable remuneration for each financial year could amount to as much as 160% of the Chief Executive Officer's annual fixed remuneration and will accrue in relation to the attainment of specific previously determined targets, of which:

- (i) Between 50% and 80% of the annual variable remuneration refers to the evolution of certain financial parameters relating to the Group which are specified and quantified on the basis, in particular, of the Group's consolidated Earnings After Tax (EAT) and others such as the Group's annual turnover, the annual volume of contracting in the Group's different lines of business, industrial and operational aspects (efficiency ratios) and the trend in the level of the Group's debt, without prejudice to being able to take other parameters into account depending on the circumstances and, in any case, aligned with the corporate interest and with the Elecnor Group's Sustainability Strategy initiatives.
- (ii) Between 20% and 50% of the annual variable remuneration refers to non-financial parameters, in particular, to: the evolution of risk, compliance with ESG principles (such as, for example, emission reduction, reduction in accident rates or waste reduction), the coordination of succession in the management team, prevention, performance management (with respect to the financing of growth in concessions, corporate development and Team compliance), and the evaluation which, if any, is made by the Board of Directors.

The limit of the potential overachievement is placed at 120% and, as regards the lower part of the range, EAT and contracting are key considerations, according to each case, and must reach at least 80% of the target in order to enable the application of this annual variable incentive.

The Board of Directors, following a proposal by the Appointments, Remunerations and Sustainability Committee, will approve the targets at the start of each financial year. Likewise, at the end of the year and within a maximum time limit of four (4) months, the

Appointments, Remunerations and Sustainability Committee will evaluate the degree of achievement of the targets previously set and draw up a proposal for their payment within a time limit of six (6) months as from the date of attainment, taking into account the Company's cash needs and any other circumstances that could concur, for submission to the Board of Directors for approval.

**b) Long-term (multiannual) variable remuneration:**

The Chief Executive Officer is the beneficiary of a multiannual remuneration derived from a long-term incentives plan approved in the 2020 financial year for the 2020-2022 period, which could amount to as much as 50% of the average of his annual variable remuneration over the last three (3) years and will accrue in relation to the achievement of previously determined targets, 80% of which will refer to financial questions of the Group and 20% to non-financial parameters of the Group.

The conditions necessary for this incentive to be applicable are:

- a) Financial parameters: the appraisal of the assets of subsidiaries and investee companies and cash generation will be taken into account for the calculation of the incentive. The maximum overachievement in each parameter will be 120%.
- b) Non-financial parameters: the Appointments, Remunerations and Sustainability Committee will also evaluate excellence in the Chief Executive Officer's fulfilment of the following parameters: Prevention, Compliance, Contingencies and Performance Assessment. Likewise, the Committee will assess compliance with ESG criteria - environmental, social and good governance and the value for shareholders.

The multiannual variable remuneration will be paid within a maximum time limit of four (4) months as from the end of the long-term incentives plan, once the Appointments, Remunerations and Sustainability Committee has evaluated the extent to which both the financial as well as the non-financial parameters have been met and submits a proposal to the Board of Directors for its payment, within a time limit of six (6) months as from the date of completion, taking into account the Company's cash needs and any other circumstances that could concur.

In any case, and in conformity with the initiatives of the Elecnor Group's Sustainability Strategy, the variable components of the Chief Executive Officer's remuneration are tied to predetermined and measurable criteria that consider the risk assumed for the obtaining of a result, promote the Company's sustainability and are shaped on the basis of a balance between the attainment of short-, medium- and long-term targets, in such a way that these do not derive solely from one-off, occasional or extraordinary events or from the general evolution of the markets or of the Company's sector of activity. Thus, the remunerations of the Chief Executive Officer should serve as an incentive for performance and reward long-term value creation.

The metrics and the targets connected with the variable remuneration of the office of Chief Executive Officer will be proposed by the Appointments, Remunerations and Sustainability Committee, taking into account for this purpose their possible impact in the long term, the sustainability of the results and any associated risk whatsoever.

**A.1.7 Main characteristics of long-term savings schemes.** Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.

Indicate whether the accrual or vesting of any of the long-term savings plans is linked to the attainment of certain objectives or parameters relating to the director's short- or long-term performance.

The Company does not have systems of this kind.

A.1.8 Any type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.

There is no indemnification covenanted or paid in the event of the termination of non-executive duties as a director.

The only indemnification provided for or covenanted in favour of a director is the indemnification stipulated in the contract entered into between the Company and the Chief Executive Officer for the performance of his senior managerial functions, which will accrue for the Chief Executive Officer provided that termination of the contract is not a consequence of a breach of contract attributable to the Director or due to his exclusive initiative. This indemnification includes the Chief Executive Officer's fixed remuneration and the short-term variable remuneration tied to the annual profits obtained by the Company, while it excludes the long-term variable remuneration tied to any additional incentive plans or programmes as the Company may implement.

The amount of the Chief Executive Officer's indemnification is equivalent to two (2) years of his total remuneration. Nevertheless, on an exceptional basis, in the event that termination of the contract with the Chief Executive Officer is due to a change in the control of the Company in the context described in article 42 of the Commercial Code, or the split-off or transfer of all or a significant portion of its business or of its assets or liabilities to a third party or its inclusion in another business group, as well as a change in the current shareholders owning more than 50% of the share capital or in the Company's reference shareholder, the Chief Executive Officer would be entitled to receive an additional amount equivalent to one (1) year of his total remuneration. In any case, the total remuneration shall be calculated as the average of the remuneration received in the last three (3) years.

Moreover, the Chief Executive Officer's contract establishes a post-contractual non-competition pact during a period of two (2) years as from the termination of the contract, in return for a consideration in an amount equivalent to one (1) year of the Chief Executive Officer's total remuneration, including the fixed and variable remuneration but expressly excluding the income obtained in plans or incentives, on an annual or multiannual basis.

Likewise, the contract with the Chief Executive Officer includes a clawback clause, according to which the Chief Executive Officer must return to the Company those amounts received as variable remuneration or resulting from the settlement of incentive plans, if at any time during (1) year subsequent to the payment thereof, as a consequence of a culpable action or involving serious negligence by the Chief Executive Officer, the following circumstances would have arisen: (i) alterations or inaccuracies would have been evidenced in the business data which were relevant for calculating the variable remuneration or incentive plans and these are confirmed by the Company's external auditors; (ii) as a consequence of the preceding circumstance, the Company would need to significantly restate its accounts.

The Chief Executive Officer must pay the amount notified by the Company within a time limit of forty-five (45) days following the date on which he was given notice to do so.

A.1.9 Indicate the conditions that the contracts of executive directors performing senior management functions should contain. Among other things, information must be provided on the duration, limits on amounts of indemnification, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any

other clauses relating to signing bonuses, as well as compensation or golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the pacts or agreements on non-competition, exclusivity, minimum contract terms and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.

### **Main terms and conditions of the contracts of the Executive Directors with the Company.**

The contract entered into between the Chief Executive Officer and the Company is based on the following terms and conditions:

(a) Duration:

The Chief Executive Officer's contract will remain in force for as long as he continues in his office.

(b) Termination of the contract and indemnification:

The contract with the Chief Executive Officer contains an indemnification clause in the event of termination, provided that termination is not a consequence of a breach of contract attributable to the Director or due to his exclusive initiative.

The amount of the Chief Executive Officer's indemnification is equivalent to two (2) years of his total remuneration, excluding long-term variable remuneration. Nevertheless, on an exceptional basis, in the event that termination of the contract with the Chief Executive Officer is due to a change in the control of the Company in the context described in article 42 of the Commercial Code, or the split-off or transfer of all or a significant portion of its business or of its assets or liabilities to a third party or its inclusion in another business group, as well as a change in the current shareholders owning more than 50% of the share capital or in the Company's reference shareholder, the Chief Executive Officer would be entitled to receive an additional amount equivalent to one (1) year of his total remuneration. In any case, the total remuneration shall be calculated as the average of the remuneration received in the last three (3) years.

The Chief Executive Officer must exercise the right to terminate his contract within a maximum time limit of six (6) months as from the date on which he became aware of the reason for termination. Once this period has transpired without his having exercised the right to termination, the Chief Executive Officer will not be entitled to receive any indemnification whatsoever for this reason.

(c) Compliance with the Company's corporate governance system:

The Chief Executive Officer is under the obligation of strictly observing the rules and provisions contained in the Company's corporate governance system, as applicable.

(d) Exclusivity and post-contractual non-competition pact:

The Chief Executive Officer's contract establishes an obligation of exclusivity and full dedication to the Company, except with the express consent of the Company. Likewise, it establishes a post-contractual non-competition pact during a period of two (2) years as from the termination of the contract, in return for a consideration in an amount equivalent to one (1) year of the Chief Executive Officer's total remuneration, including the fixed and variable remuneration but expressly excluding the income obtained in plans or incentives, on an annual or multiannual basis.

(e) Confidentiality:

The Chief Executive Officer's contract establishes a stringent duty of confidentiality. Moreover, upon termination of his relationship with the Company, the Director must return to the Company any documents and objects associated with his activity in his possession.

(f) Clawback clause:

The contract with the Chief Executive Officer includes a clawback clause, according to which the Chief Executive Officer must refund to the Company those amounts received as variable remuneration or resulting from the settlement of incentive plans, if at any time during the

year subsequent to the payment thereof, as a consequence of a culpable action or involving serious negligence by the Chief Executive Officer, the following circumstances would have arisen: (i) alterations or inaccuracies would have been evidenced in the business data which were relevant for calculating the variable remuneration or incentive plans and these are confirmed by the Company's external auditors; or (ii) as a consequence of the preceding circumstance, the Company would need to significantly restate its accounts.

The Chief Executive Officer must pay the amount notified by the Company within a time limit of forty-five (45) days following the date on which he was given notice to do so.

A.1.10 The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

There is no such remuneration.

A.1.11 Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

There are none.

A.1.12 The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

During the current financial year, a number of the Company's directors (specifically, Jaime Real de Asúa, Ignacio Prado Rey-Baltar, Rafael Martín de Bustamante, Joaquín Gómez de Olea y Mendaro, Cristóbal González de Aguilar Alonso-Urquijo, Miguel Cervera Earle, Juan Landecho Sarabia, Miguel Morenés Giles, Santiago León Domecq and Rafael Prado Aranguren) will be paid €20,000 as remuneration for their membership on the Board of Directors of Enerfín Sociedad de Energía, S.L.U., a company 100%-owned by Elecnor, S.A.

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

- a) A new policy or an amendment to a policy already approved by the General Meeting.
- b) Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.
- c) Proposals that the Board of Directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.

For the express purpose of incorporating into the Policy the new points introduced by the Good Governance Code for Listed Companies approved by the CNMV in June 2020 and Act 5/2021, of 12 April, amending the revised text of the Companies Act, dated 18 May 2022, Elecnor's General Shareholders' Meeting, on a proposal by the Board of Directors and by the Company's Appointments, Remunerations and Sustainability Committee, approved the new Directors' Remuneration Policy for the 2022, 2023, 2024 and 2025 financial years, as explained in paragraphs A.1.1., A.1.2., A.1.3, A.1.4. and A.1.6. above.

The new policy, applicable to the 2022 financial year as from the time of its approval by the Meeting, is a consequence of the amendment of the Articles of Association, approved by the General Meeting, in relation to the Directors' remuneration scheme. In this regard, the new art. 12 of the Company's Articles is now worded as follows:

**"Article 12.- Remuneration of the Board of Directors**

A. *Remuneration of the Directors for the discharge of non-executive duties.*

*All of the Directors, in return for the discharge of non-executive duties, will receive as remuneration:*

- (i) An annual fixed amount in cash.*
- (ii) The allowances for attendance at meetings of the Board of Directors.*

*The remuneration policy will establish at least the maximum amount of the annual remuneration to be paid to the Directors taken overall for the discharge of non-executive duties, as well as the criteria for the distribution of such amount in relation to the duties and responsibilities attributed to each of them.*

*The individual determination of the remuneration of each Director for the discharge of non-executive executive duties, within the framework of the Articles of Association and of the remuneration policy, will be carried out by the Board of Directors, following a report by the Appointments, Remunerations and Sustainability Committee.*

B. *Remuneration of the Directors for the discharge of executive duties.*

*In addition to the remuneration obtained by the Directors in return for the discharge of non-executive duties, the Directors who perform executive duties within the Company will receive the remuneration stipulated in their respective contracts, on the basis of the following possible items:*

- (i) An annual fixed remuneration in cash.*
- (ii) A variable remuneration, calculated on qualitative or quantitative reference indicators or parameters, including financial and non-financial criteria, tied to the degree of achievement of their targets (agreed by the Board of Directors on the proposal of the Appointments, Remunerations and Sustainability Committee).*
- (iii) A remuneration based on the handover of shares or share options or remunerations referenced to the value of the Company's own shares.*
- (iv) The following benefits or remunerations in kind: (i) they will be entitled to participate in the corporate welfare systems (for survivor, illness, accident coverage, etc.) in terms similar to those established at all times on a general basis for the Company's executives; and (ii) likewise, they will be beneficiaries of a life insurance policy and health insurance, as well as enjoying all of those benefits which, as the case may be, the Company makes available to the members of the management team.*
- (v) As well as future compensation for the termination of their contract, provided that their termination does not stem from reasons of noncompliance with their duties.*

*These contracts must be previously approved by the Board of Directors, on the proposal of the Appointments, Remunerations and Sustainability Committee, meeting the requirements stipulated in the relevant legislation. Likewise, the remuneration policy will establish at least the amount of the annual fixed remuneration to which the Directors are entitled for the discharge of their executive duties and any other welfare benefits provided for in the Law.*

*The Board of Directors is responsible for the individual determination of the remuneration of each Director for the discharge of the executive duties entrusted to them within the framework of the remuneration policy and in accordance with the provisions of their contract, following a report by the Appointments, Remunerations and Sustainability Committee.*

*Without prejudice to the points established in paragraphs A) and B) above, the Directors will be included in the civil liability insurance policy that the Company has arranged at all times and, likewise, they may be paid or reimbursed, as appropriate, the reasonable and duly justified expenses incurred as a consequence of their travel, attendance at meetings and other tasks directly related to the discharge of the duties of their office.*

- 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.elecnor.com/resources/files/1/Responsabilidad\\_Corporativa/20220518-politica-de-remuneraciones-2022-2025-maquetado.pdf](https://www.elecnor.com/resources/files/1/Responsabilidad_Corporativa/20220518-politica-de-remuneraciones-2022-2025-maquetado.pdf)

- A.4 Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.

Elecnor's Annual Report on Director's remuneration for the 2021 financial year was approved by the General Shareholders' Meeting, through a consultative vote, with 96.84% of the share capital in attendance in person or by proxy voting in favour.

Voting on the resolution:

Votes in favour: 71,109,082  
Votes against: 3,209  
Abstentions: 0

In this regard, the great majority of the Company's shareholders have shown their support to the remuneration issues and matters raised at the General Meeting.

## **B) GLOBAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED (2022)**

B.1.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and the identity and role of any external advisors whose services may have been used in the process of applying the remuneration policy in the year last ended.

In the process for the determination and approval of the Remuneration Policy, the Appointments, Remunerations and Sustainability Committee, made up exclusively by Non-Executive Directors and chaired by an Independent Director, proposes the Directors' Remuneration Policy to the Board of Directors. Such Policy must be clear, precise, verifiable and based on objective criteria, setting out the remuneration items of the Directors for their non-executive duties as well as the Executive Director's individual remuneration and other contract terms and conditions.

On the basis of the relevant legal provisions and in accordance with the remuneration system established in the Articles, the Appointments, Remunerations and Sustainability Committee is responsible for drawing up a Remuneration Policy proposal coherent with the particular circumstances of the Company, which, together with the mandatory report, is referred to the Board of Directors, who will decide on its submission to the General Meeting for approval, as a separate point on the agenda, pursuant to article 529 novodecies LSC. The Remuneration Policy proposal, together with the specific report by the Appointments, Remunerations and Sustainability Committee, will be made available to shareholders on the Company's website as from the date of the call for the General Meeting, handing them over or sending them without cost to all those shareholders who so request. The Remuneration Policy approved by the General Shareholders' Meeting, together with the date and the result of the voting, is accessible on the Company's website.

Specifically, two policies have been applied during the 2022 financial year, taking into account that on 18 May 2022 the General Shareholders' Meeting approved a new Remuneration Policy according to the procedure described above:

- 1) The previous "Directors' Remuneration Policy for the 2020, 2021 and 2022 Financial Years" was applied up to 17 May 2022. This Policy had been approved on 22 May 2019 by the General Shareholders' Meeting of Elecnor, S.A. with 95.07% of affirmative votes, having been previously approved by the Company's Board of Directors in a resolution dated 27 March 2019 on a proposal and following a report by Elecnor's Appointments and Remuneration Committee (now the Appointments, Remunerations and Sustainability Committee), at its meeting of 18 February 2019. In the drafting of that Policy, recourse was had to external consultancy provided by the Cuatrecasas law firm, and comparable companies were taken into account, essentially in terms of invoicing and business sector.
- 2) The current "Directors' Remuneration Policy for the 2022, 2023, 2024 and 2025 financial years" has been applied since 18 May 2022. The proposal for the Policy was made by the Appointments, Remunerations and Sustainability Committee at its meeting of 28 March 2022 and was then approved by the Board of Directors on 30 March 2022 and, finally, by the General Shareholders' Meeting with the affirmative vote of 96.79% of the share capital present in person and by proxy. In the drafting of such Policy, recourse was had to external consultancy provided by the Écija Abogados law firm, and comparable companies were taken into account, essentially in terms of invoicing and business sector.

B.1.2 Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.



No deviations have occurred.

B.1.3 Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the society as a whole or ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.

No exceptions have been applied.

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, aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued. Ensure that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.

See Sections A.1. and A.2. above in relation to the amendment of Articles approved by the General Meeting in May 2022, as well as the "Directors' Remuneration Policy for 2022, 2023, 2024 and 2025".

Likewise, as reflected in the Policy, the profitability and sustainability of the Company and its Group constitute one of the principles on which the Company's Remuneration Policy is based; as was the case with the previous Remuneration Policy applicable up to 17 May 2022.

Accordingly, and in particular, the objective of the Directors' Remuneration Policy for the 2022, 2023, 2024 and 2025 financial years is to provide an incentive in the long term for the sustainable attainment of results and an alignment with the interests of the Shareholders and all of the stakeholders of the Company.

In this regard, the Company's Remuneration Policies have been and will continue to be a fundamental instrument so that sustainability will be a concept integrated into the daily routines of all of the areas of the Company. In this direction, in 2021 the Company's Board of Directors approved the initiatives of the Elecnor Group's Sustainability Strategy which have been taken into account when drawing up the current Remuneration Policy, whereby this is seen as one more element among the rest of the internal policies and principles of the Group, contributing to the business strategy and to the interests and sustainability of the Company and of the Elecnor Group in the long term.

In accordance with the foregoing, the variable components of the remuneration accrued by the Chief Executive Officer, the only Director who discharges executive duties in the Company, have been tied to pre-determined, measurable criteria that take into consideration the risk assumed for the achievement of a result, promote the Company's sustainability and are shaped on the basis of a balance between the attainment of short-, medium- and long-term targets, in such a way that these do not derive solely from one-off, occasional or extraordinary events or from the general evolution of the markets or of the Company's sector of activity.

Likewise, the remuneration systems of the Directors in return for the discharge of their non-executive duties during the 2022 financial year have not incorporated measurement elements that would provide an incentive for taking excessive risks by the Company, given

that they are restricted to fixed remunerations for membership on the Board of Directors and attendance at Board meetings.

B.3 Explain how the remuneration accrued and consolidated over the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, if applicable, how variations in the company's performance have influenced changes in directors' remuneration, including any accrued remuneration payment of which has been deferred, and how such remuneration contributes to the short- and long-term results of the company.

The remuneration accrued and consolidated in the year has complied both with the terms of the "Directors' Remuneration Policy for the years 2020, 2021 and 2022", applicable until 17 May 2022, and the current Directors' Remuneration Policy. In this regard, the rules in relation to the procedure for determining the individual remuneration for each Director have been applied, in terms of both their non-executive as well as of their executive duties. The Directors have received solely the remuneration items expressly stipulated in the Articles and in the Policy, and within the maximum amount allowed by the latter.

The remunerations accrued by the Directors for their non-executive duties have been determined both in the Policy applicable up to 17 May 2022, as well as in the Remuneration Policy for 2022-2025, being limited to the amount of ten (10) million euros — for the Directors taken overall — in the Policy applicable up to 17 May 2022, and in the amount of four (4) million euros — for the Directors in return for the discharge of non-executive duties — in the current Policy.

Through the application of this Policy, during 2022, the amount of the remuneration accrued by the Directors for the discharge of their non-executive duties (a fixed amount for membership on the Board of Directors, Committees, offices held, attendance fees and membership on the Boards of Group companies) totals EUR 3,282,800, thereby complying with the limit set in the applicable Policies.

Similarly, the remuneration accrued by the Chief Executive Officer in 2022, both the fixed as well as the variable remuneration (short and/or long term), the amount of which totals EUR 939,000, has been in accordance with the Company's current Remuneration Policy applicable during the financial year 2022.

With respect to how the remuneration accrued and vested in 2022 by the Directors contributes to the sustainable and long-term performance of the Company and to the proportion between the remuneration obtained by the Directors and the results or other performance measurements in the short- and long-term, the criteria proposed by the Appointments, Remunerations and Sustainability Committee and approved both by the Board of Directors and the General Shareholders' Meeting in relation to the Chief Executive Officer's variable remuneration are set out below:

**a) Short-term (annual) variable remuneration:**

The Chief Executive Officer's variable remuneration for each financial year could amount to as much as 160% of the Chief Executive Officer's annual fixed remuneration and will accrue in relation to the attainment of specific previously determined targets, of which:

- Between 50% and 80% of the annual variable remuneration refers to the evolution of certain financial parameters relating to the Group which are specified and quantified on the basis, in particular, of the Group's consolidated Earnings After Tax (EAT) and others such as the Group's annual turnover, the annual volume of contracting in the Group's different lines of business, industrial and operational aspects (efficiency ratios) and the trend in the level of the Group's debt, without prejudice to being able

to take other parameters into account depending on the circumstances and, in any case, aligned with the corporate interest and with the Elecnor Group’s Sustainability Strategy initiatives.

- Between 20% and 50% of the annual variable remuneration refers to non-financial parameters, in particular, to: the evolution of risk, compliance with ESG principles (such as, for example, emission reduction, reduction in accident rates or waste reduction), the coordination of succession in the management team, prevention, performance management (with respect to the financing of growth in concessions, corporate development and Team compliance), and the evaluation which, if any, is made by the Board of Directors.

The limit of the potential overachievement is placed at 120% and, as regards the lower part of the range, EAT and contracting are key considerations, according to each case, and must reach at least 80% of the target in order to enable the application of this annual variable incentive.

**b) Long-term (multiannual) variable remuneration:**

The Chief Executive Officer is the beneficiary of a multiannual remuneration derived from a long-term incentives plan approved in the 2020 financial year for the 2020-2022 period, which could amount to as much as 50% of the average of his annual variable remuneration over the last three (3) years and will accrue in relation to the achievement of previously determined targets, 80% of which will refer to financial questions of the Group and 20% to non-financial parameters of the Group.

The conditions necessary for this incentive to be applicable are:

- Financial parameters: the appraisal of the assets of subsidiaries and investee companies and cash generation will be taken into account for the calculation of the incentive. The maximum overachievement in each parameter will be 120%.
- Non-financial parameters: the Appointments, Remunerations and Sustainability Committee will also evaluate excellence in the Chief Executive Officer’s fulfilment of the following parameters: Prevention, Compliance, Contingencies and Performance Assessment. Likewise, the Committee will assess compliance with ESG criteria - environmental, social and good governance and the value for shareholders.

**B.4 Report on the result of the consultative vote at the General Shareholders’ Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:**

	Number	% of total
Votes cast	71,112,291	81.74%

  

	Number	% of votes cast
Votes against	3,209	0.005%
Votes in favour	71,109,082	99.995%
Blank ballots	0	0%
Abstentions	0	0%

  

Observations

**B.5 Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year.**

The remuneration of the directors for the performance of their non-executive functions has been determined in accordance with the provisions of the two Remuneration Policies approved by the General Meeting that were applicable during the 2022 financial year, i.e., on the one hand, the Remuneration Policy for the 2020-2022 financial years applicable until 17 May 2022, and, on the other hand, the current Policy for the 2022-2025 financial years applicable from 18 May of the same year.

In particular, the total annual fixed remuneration for each of the directors, for their non-executive functions, for membership on the Board of Directors, was EUR 143,500 and EUR 1,500 as attendance fees for each Board meeting, plus what they receive for their membership on Board Committees varied from one policy area to another, as set out below:

**a) Annual remunerations approved by the Board of Directors in the framework of the Remuneration Policy for the 2020-2022 financial years:**

- For membership on the Executive Committee: EUR 25,000.
- For membership on the Audit Committee
  - Member: EUR 15,000.
  - Chairperson: EUR 20,000.
- For membership on the Appointments and Remuneration Committee
  - Member: EUR 12,500.
  - Chairperson: EUR 17,500.
- Non-Executive Chairperson for the Board of Directors: EUR 270,000.

**b) Annual remunerations according to the Remuneration Policy for the 2022-2025 financial years:**

- For membership on the Executive Committee: EUR 30,000.
- For membership on the Audit Committee
  - Member: EUR 20,000.
  - Chairperson: EUR 25,000.
- For membership on the Appointments and Remuneration Committee
  - Member: EUR 17,500.
  - Chairperson: EUR 22,500.
- For membership on the Elecnor's Committee: EUR 12,500.
- Non-Executive Chairperson for the Board of Directors: EUR 270,000.

**B.6 Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.**

The amount and the nature of the fixed components of the remuneration accrued for the performance of senior management functions by the Chief Executive Officer have been determined within the framework of the Company's Remuneration Policies, applicable during the financial year 2022, and was as follows:

Rafael Martín de Bustamante Vega (Chief Executive Officer)

- Salary: EUR 588,000.

Consequently, this amount has increased 1.91% with respect to the previous financial year.

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

In particular:

- a) Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to

evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

In the case of share options and other financial instruments, the general characteristics of each plan must include information on the conditions both for acquiring unconditional ownership (vesting) of these options or financial instruments and for exercising them, including the exercise price and period.

- b) Each director who is a beneficiary of remuneration systems or plans that include variable remuneration, and his or her category (executive director, external nominee director, external independent director or other external director).
- c) Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

#### **Explain the short-term variable components of the remuneration systems**

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The only director to receive short-term variable remuneration during 2022 was the Executive Director (Rafael Martín de Bustamante Vega), in the amount of EUR 939,000.

The short-term variable remuneration systems are summed up below, taking account of the two policies that were applicable during the 2022 financial year (that is, on the one hand, the Remuneration Policy for 2020-2022 applicable up to 17 May 2022, and, on the other, the Policy for 2022-2025 applicable since 18 May of that same year):

##### **a) Short-term (annual) variable remuneration approved by the Board of Directors in the framework of the Remuneration Policy for the 2020-2022 financial years:**

This amount can total up to 160% of the Executive Director's annual fixed remuneration, in relation to the achievement of previously determined targets, 80% of which refer to financial and non-financial issues of the Group, while 20% are parameters relating to the Executive Director's individual targets. In this regard:

- The 80% portion of the annual variable remuneration refers to the growth of certain financial and non-financial parameters relating to the Group, 50% of which refer to the consolidated Earnings After Tax (EAT) of the Group, 10% to the level of contracting obtained by the Group, 10% to issues relating to Human Resources/Job Map/branch of business division project /Risk Map and an additional 10% to the level of Debt.
- The 20% portion of the annual variable remuneration refers to individual parameters, in particular, to: succession of the management team, prevention, performance management (with respect to the financing of growth in concessions, Celeo, corporate development and Team achievement) and the evaluation, if any, made by the Board of Directors.

The limit of the potential overachievement is placed at 120% and, as regards the lower part of the range, EAT and contracting are key considerations, according to each case, and must reach at least 80% of the target in order to enable the application of this annual variable incentive.

##### **b) Short-term (annual) variable remuneration according to the Remuneration Policy for the 2022-2025 financial years:**

The Chief Executive Officer's variable remuneration for each financial year could amount to as much as 160% of the Chief Executive Officer's annual fixed remuneration and will accrue in relation to the attainment of specific previously determined targets, of which:

- Between 50% and 80% of the annual variable remuneration refers to the evolution of certain financial parameters relating to the Group which are specified and quantified on the basis, in particular, of the Group's consolidated Earnings After Tax (EAT) and others such as the Group's annual turnover, the annual volume of contracting in the Group's different lines of business, industrial and operational aspects (efficiency ratios) and the trend in the level of the Group's debt, without prejudice to being able to take other parameters into account depending on the circumstances and, in any case, aligned with the corporate interest and with the Elecnor Group's Sustainability Strategy initiatives.
- Between 20% and 50% of the annual variable remuneration refers to non-financial parameters, in particular, to: the evolution of risk, compliance with ESG principles (such as, for example, emission reduction, reduction in accident rates or waste reduction), the coordination of succession in the management team, prevention, performance management (with respect to the financing of growth in concessions, corporate development and Team compliance), and the evaluation which, if any, is made by the Board of Directors.

The limit of the potential overachievement is placed at 120% and, as regards the lower part of the range, EAT and contracting are key considerations, according to each case, and must reach at least 80% of the target in order to enable the application of this annual variable incentive.

The Board of Directors, following a proposal by the Appointments, Remunerations and Sustainability Committee, is the body responsible for approving and determining the targets at the beginning of each financial year. Likewise, at the end of the year and within a maximum time limit of four (4) months, the Appointments, Remunerations and Sustainability Committee will evaluate the degree of achievement of the targets previously set and draw up a proposal for their payment within a time limit of six (6) months as from the date of attainment, taking into account the Company's cash needs and any other circumstances that could concur, for submission to the Board of Directors for approval.

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### Explain the long-term variable components of the remuneration systems

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During the 2022 financial year, no long-term variable remuneration has accrued for the Chief Executive Officer (Rafael Martín de Bustamante Vega).

The long-term variable components of the remuneration systems are summed up below, taking account of the two policies that were applicable during the 2022 financial year:

#### **a) Long-term variable remuneration according to the Remuneration Policy for the 2020-2022 financial years:**

The conditions necessary for this incentive to be applicable are: (i) sales and EAT within the range established in the Long-Term Objectives Plan, (ii) compliance with the Financial Plan established (with the investments planned) for Net Financial Debt and Cash, (iii) minimum Cash Generation of the Group sufficient in order to finance the Long-Term Objectives Plan incentive according to the criteria of the Appointments, Remunerations and Sustainability Committee, and (iv) completion of the strategic projects, according to the evaluation made by the Long-Term Objectives Plan Team, the Appointments, Remunerations and Sustainability Committee and the Board.

The Appointments, Remunerations and Sustainability Committee will evaluate the excellence of the Executive Director's performance with respect to the following parameters: Prevention, Compliance, Contingencies and Performance Evaluation.

The valuation of the assets of the subsidiary, Enerfín Sociedad de Energía, S.L.U. (15%), the valuation of the assets of the investee company, Celeo Concesiones e Inversiones, S.L. (15%), the cash in hand and in banks of Elecnor Servicios y Proyectos, S.A.U. (50%), compliance with ESG criteria — environment, social and good governance — (10%) and shareholder value (10%) will be taken into account for the calculation of the incentive. The maximum overachievement of each parameter will be 120%. The base of the incentive will be the average of the variable remuneration received by the Executive Director during the years of the Long-Term Objectives Plan 2020-22 applying an individual multiplication factor.

**b) Long-term variable remuneration according to the Remuneration Policy for the 2022-2025 financial years:**

The Chief Executive Officer is the beneficiary of a multiannual remuneration derived from a long-term incentives plan approved in the 2020 financial year for the 2020-2022 period, which could amount to as much as 50% of the average of his annual variable remuneration over the last three (3) years and will accrue in relation to the achievement of previously determined targets, 80% of which will refer to financial questions of the Group and 20% to non-financial parameters of the Group.

The conditions necessary for this incentive to be applicable are:

- Financial parameters: the appraisal of the assets of subsidiaries and investee companies and cash generation will be taken into account for the calculation of the incentive. The maximum overachievement in each parameter will be 120%.
- Non-financial parameters: the Appointments, Remunerations and Sustainability Committee will also evaluate excellence in the Chief Executive Officer's fulfilment of the following parameters: Prevention, Compliance, Contingencies and Performance Assessment. Likewise, the Committee will assess compliance with ESG criteria - environmental, social and good governance and the value for shareholders.

The multiannual variable remuneration will be paid within a maximum time limit of four (4) months as from the end of the long-term incentives plan, once the Appointments, Remunerations and Sustainability Committee has evaluated the extent to which both the financial as well as the non-financial parameters have been met and submits a proposal to the Board of Directors for its payment, within a time limit of six (6) months as from the date of completion, taking into account the Company's cash needs and any other circumstances that could concur.

The metrics and the targets connected with the variable remuneration of the office of Chief Executive Officer will be proposed by the Appointments, Remunerations and Sustainability Committee, taking into account for this purpose their possible impact in the long term, the sustainability of the results and any associated risk whatsoever.

**B.8** Indicate whether certain variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe the amounts reduced or clawed back through the application of the "malus" (reduction) or clawback clauses, why they were implemented and the years to which they refer.

No amount whatsoever has been claimed or returned under the clawback clause contained in the contract signed between the Company and the Chief Executive Officer. At the present time, no "malus" (reduction) clauses are included in the contract with the Chief Executive Officer, although the Company is considering the possibility of incorporating such clauses for the payment of the variable remuneration. As of the date of this report, the Company has not reached a decision as yet in this regard.

**B.9** Explain the main characteristics of the long-term savings schemes where the amount or equivalent annual cost appears in the tables in Section C, including retirement and

any other survivor benefit, whether financed in whole or in part by the company or through internal or external contributions, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies covered, the conditions on which the economic rights vest in favour of the directors and their compatibility with any type of indemnification for early termination or cessation of the contractual relationship between the company and the director.

The Company does not have systems of this kind in place.

**B.10** Explain, where applicable, the indemnification or any other type of payment deriving from the early cessation, whether at the company's or the director's initiative, or from the termination of the contract in the terms provided therein, accrued and/or received by directors during the year last ended.

There is no indemnification covenanted or paid in the event of the termination of duties as a director.

The only indemnification covenanted is the indemnification stipulated for the Chief Executive Officer in the contract signed by him with the Company, which will operate provided that termination is not a consequence of a breach of contract attributable to the Director or due to his exclusive initiative (except in cases of the Chief Executive Officer's death or invalidity).

The amount of the Chief Executive Officer's indemnification is equivalent to two (2) years of his total remuneration, including the Chief Executive Officer's fixed remuneration and the short-term variable remuneration tied to the annual profit obtained by the Company, while it excludes the long-term variable remuneration linked to any additional incentive plans or programmes as the Company may implement. Nevertheless, on an exceptional basis, in the event that termination of the contract with the Chief Executive Officer is due to a change in the control of the Company in the context described in article 42 of the Commercial Code, or the split-off or transfer of all or a significant portion of its business or of its assets or liabilities to a third party or its inclusion in another business group, as well as a change in the current shareholders owning more than 50% of the share capital or in the Company's reference shareholder, the Chief Executive Officer would be entitled to receive an additional amount equivalent to one (1) year of his total remuneration. In any case, the total remuneration shall be calculated as the average of the remuneration received in the last three (3) years.

Likewise, as stipulated in the current Remuneration Policy 2022-2025, the Chief Executive Officer must exercise the right to terminate his contract within a maximum time limit of six (6) months as from the date on which he became aware of the reason for termination. Once this period has transpired without his having exercised the right to termination, the Chief Executive Officer will not be entitled to receive any indemnification whatsoever for this reason.

Sin perjuicio de lo anterior, durante el ejercicio 2022 no se ha devengado ni percibido la mencionada indemnización.

**B.11** Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There have been no significant changes in the contract with the Chief Executive Officer during the 2022 financial year.

**B.12** Explain any supplementary remuneration accrued by directors in consideration of the provision of services other than those inherent in their position.



No such remuneration exists.

B.13 Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, their key characteristics and any amounts returned, as well as the obligations assumed on their behalf by way of guarantee.

No such remuneration exists.

B.14 Itemise the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the various salary components.

During the 2022 financial year, the Company had the following insurance coverage in place for its directors:

- Life insurance, with a premium totalling EUR 4,506 in 2022.
- Health insurance, with a premium totalling EUR 5,493.44 in 2022.

B.15 Explain the remuneration accrued by any director by virtue of payments made by the listed company to a third company in which the director provides services when these payments seek to remunerate the director's services to the company.

There is no such remuneration.

B.16 Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the "Other concepts" heading in Section C.

During the 2022 financial year, a number of the Company's directors (specifically, Jaime Real de Asúa Arteché, Ignacio Prado Rey-Baltar, Rafael Martín de Bustamante Vega, Joaquín Gómez de Olea y Mendaro, Cristóbal González de Aguilar Alonso-Urquijo, Miguel Cervera Earle, Juan Landecho Sarabia, Miguel Morenés Giles, Santiago León Domecq and Rafael Prado Aranguren) were paid EUR 20,000 as remuneration for their membership on the Board of Directors of Enerfín Sociedad de Energía, S.L.U., a company 100%-owned by Elecnor, S.A.

### C) ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in 2022
JAIME REAL DE ASUA ARTECHE	NOMINEE	From 01/01/2022 to 31/12/2022
IGNACIO PRADO REY-BALTAR	NOMINEE	From 01/01/2022 to 31/12/2022
RAFAEL MARTIN DE BUSTAMANTE VEGA	EXECUTIVE	From 01/01/2022 to 31/12/2022
JOAQUIN GOMEZ DE OLEA Y MENDARO	NOMINEE	From 01/01/2022 to 31/12/2022
CRISTOBAL GONZALEZ DE AGUILAR ALONSO URQUIJO	NOMINEE	From 01/01/2022 to 31/12/2022
FERNANDO AZAOLA ARTECHE	EXTERNAL	From 01/01/2022 to 18/05/2022
MIGUEL CERVERA EARLE	NOMINEE	From 01/01/2022 to 31/12/2022
ISABEL DUTILH CARVAJAL	INDEPENDENT	From 01/01/2022 to 31/12/2022
IRENE HERNANDEZ ALVAREZ	INDEPENDENT	From 01/01/2022 to 31/12/2022
JUAN LANDECHO SARABIA	NOMINEE	From 01/01/2022 to 31/12/2022
SANTIAGO LEÓN DOMEQ	NOMINEE	From 01/01/2022 to 31/12/2022
MIGUEL MORENES GILES	NOMINEE	From 01/01/2022 to 31/12/2022
GABRIEL ORAA Y MOYUA	NOMINEE	From 01/01/2022 to 18/05/2022
FRANCISCA ORTEGA HERNÁNDEZ-AGERO	INDEPENDENT	From 18/05/2022 to 31/12/2022
RAFAEL PRADO ARANGUREN	NOMINEE	From 01/01/2022 to 31/12/2022
EMILIO YBARRA AZNAR	INDEPENDENT	From 01/01/2022 to 31/12/2022

C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership on Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total 2022	Total 2021
JAIME REAL DE ASUA ARTECHE/NOMINEE	143.5	18.0	43.3					282.5	487.3	481.5
IGNACIO PRADO REY-BALTAR/NOMINEE	143.5	18.0	45.8					12.5	219.8	214.0
RAFAEL MARTIN DE BUSTAMANTE VEGA/EXECUTIVE	143.5	18.0	27.9	588.0	939.0			12.5	1,728.9	1,690.0
JOAQUIN GOMEZ DE OLEA Y MENDARO/NOMINEE	143.5	18.0	17.5					12.5	191.5	174.0
CRISTOBAL GONZALEZ DE AGUILAR ALONSO-URQUIJO/NOMINEE	143.5	18.0	27.9					12.5	201.9	199.0
FERNANDO AZAOLA ARTECHE/EXTERNAL	59.8	7.5	10.4					5.2	82.9	197.5
MIGUEL CERVERA EARLE/NOMINEE	143.5	18.0	15.4					12.5	189.4	183.4
ISABEL DUTILH CARVAJAL/INDEPENDENT	143.5	18.0	33.3						194.8	189.0
IRENE HERNANDEZ ALVAREZ/INDEPENDENT	143.5	18.0	22.9						184.4	181.5
JUAN LANDECHO SARABIA/NOMINEE	143.5	18.0							161.5	161.5
SANTIAGO LEÓN DOMECQ/NOMINEE	143.5	18.0						12.5	174	167.7
MIGUEL MORENES GILES/NOMINEE	143.5	18.0	45.8					12.5	219.8	214
GABRIEL ORAA Y MOYUA/NOMINEE	59.8	7.5							67.3	161.5
FRANCISCA ORTEGA HERNÁNDEZ-AGERO	95.7	12.0	11.7						119.3	
RAFAEL PRADO ARANGUREN/NOMINEE	143.5	18.0							161.5	161.5
EMILIO YBARRA AZNAR/INDEPENDENT	143.5	18.0	26.7					7.3	195.5	194.0

Observations

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments.

Name	Name of Plan	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares

Observations

iii) Long-term savings schemes.

	Remuneration from vesting of rights to savings schemes

Name	Contribution for the year by the company (thousands of euros)				Amount of the vested funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year n		Year n-1	
	Year n	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights

iv) Details of other items

Name	Life insurance premiums	Health insurance premiums
JAIME REAL DE ASUA ARTECHE/NOMINEE		
IGNACIO PRADO REY-BALTAR/NOMINEE		
RAFAEL MARTIN DE BUSTAMANTE VEGA/EXECUTIVE	€4,506	€979.36
JOAQUIN GOMEZ DE OLEA Y MENDARO/NOMINEE		

CRISTOBAL GONZALEZ DE AGUILAR ALONSO-URQUIJO/NOMINEE		
FERNANDO AZAOLA ARTECHE/EXTERNAL		€2,621.01
MIGUEL CERVERA EARLE/NOMINEE		
ISABEL DUTILH CARVAJAL/INDEPENDENT		
IRENE HERNANDEZ ALVAREZ/INDEPENDENT		
JUAN LANDECHO SARABIA/NOMINEE		
SANTIAGO LEÓN DOMECQ/NOMINEE		
MIGUEL MORENES GILES/NOMINEE		
GABRIEL ORAA Y MOYUA/NOMINEE		€1,893.07
FRANCISCA ORTEGA HERNÁNDEZ- AGERO		
RAFAEL PRADO ARANGUREN/NOMINEE		
EMILIO YBARRA AZNAR/INDEPENDENT		
<b>TOTAL</b>	<b>€4,506</b>	<b>€5,493.44</b>

b) Remuneration of directors of the listed company for membership on the boards of subsidiary companies:

i) Remuneration accruing in cash (thousands of euros)

Name/ Type/ Accrual period Year 2019	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total 2022	Total 2021
JAIME REAL DE ASUA ARTECHE/NOMINEE	20.0								20.0	20.0
IGNACIO PRADO REY- BALTAR/NOMINEE	20.0								20.0	20.0
RAFAEL MARTIN DE BUSTAMANTE VEGA/EXECUTIVE	20.0								20.0	20.0
JOAQUIN GOMEZ DE OLEA Y MENDARO/NOMINEE	20.0								20.0	20.0
CRISTOBAL GONZALEZ DE AGUILAR ALONSO- URQUIJO/NOMINEE	20.0								20.0	20.0
FERNANDO AZAOLA ARTECHE/EXTERNAL										
MIGUEL CERVERA EARLE/NOMINEE	20.0								20.0	20.0
ISABEL DUTILH CARVAJAL/INDEPENDENT										
IRENE HERNANDEZ ALVAREZ/INDEPENDENT										
JUAN LANDECHO SARABIA/NOMINEE	20.0								20.0	20.0
SANTIAGO LEÓN DOMECQ/NOMINEE	20.0								20.0	
MIGUEL MORENES GILES/NOMINEE	20.0								20.0	20.0
GABRIEL ORAA Y MOYUA/NOMINEE	20.0								20.0	20.0
RAFAEL PRADO ARANGUREN/NOMINEE	20.0								20.0	20.0
EMILIO YBARRA AZNAR/INDEPENDENT										

Observations

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares

Observations

Long-term savings schemes

	Remuneration from vesting of rights to savings schemes

Name	Contribution for the year by the company (thousands of euros)				Amount of the vested funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year n		Year n-1	
	Year n	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights

Observations

iii) Details of other items:

Name	Item	Amount of remuneration

Observations

c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					Total 2022 Company + Group
	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings schemes	Other items of remuneration	Total 2022	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings schemes	Other items of remuneration	Total 2022 Group	
JAIME REAL DE ASUA ARTECHE/NOMINEE	487.3				487.3	20.0				20.0	507.3
IGNACIO PRADO REY-BALTAR/NOMINEE	219.8				219.8	20.0				20.0	239.8
RAFAEL MARTIN DE BUSTAMANTE VEGA/EXECUTIVE	1,728.9			5.5	1,734.4	20.0				20.0	1,754.4
JOAQUIN GOMEZ DE OLEA Y MENDARO/NOMINEE	191.5				191.5	20.0				20.0	211.5
CRISTOBAL GONZALEZ DE AGUILAR ALONSO-URQUIJO/NOMINEE	201.9				201.9	20.0				20.0	221.9
FERNANDO AZAOLA ARTECHE/EXTERNAL	82.9			2.6	85.5						85.5
MIGUEL CERVERA EARLE/NOMINEE	189.4				189.4	20.0				20.0	209.4
ISABEL DUTILH CARVAJAL/INDEPENDENT	194.8				194.8						194.8
IRENE HERNANDEZ ALVAREZ/INDEPENDENT	184.4				184.4						184.4
JUAN LANDECHO SARABIA/NOMINEE	161.5				161.5	20.0				20.0	181.5
SANTIAGO LEÓN DOMECQ/NOMINEE	174				174	20.0				20.0	194
MIGUEL MORENES GILES/NOMINEE	219.8				219.8	20.0				20.0	239.8
GABRIEL ORAA Y MOYUA/NOMINEE	67.3			1.9	69.2	20.0				20.0	89.2
FRANCISCA ORTEGA HERNÁNDEZ-AGERO	119.3				119.3						119.3
RAFAEL PRADO ARANGUREN/NOMINEE	161.5				161.5	20.0				20.0	181.5
EMILIO YBARRA AZNAR/INDEPENDENT	195.5				195.5						195.5
<b>Total:</b>	<b>4,579.8</b>			<b>10</b>	<b>4,589.8</b>	<b>220.0</b>				<b>220.0</b>	<b>4,809.8</b>

Observations



C.2 Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2022	% variation 2022-2021	2021	% variation 2021-2020	2020	% variation 2020-2019	2019	% variation 2019-2018	2018
JAIME REAL DE ASUA ARTECHE/NOMINEE	507.3	1.16	501.5	4.31%	480.8	-7.5%	519.8	-0.33%	521.5
IGNACIO PRADO REY-BALTAR/NOMINEE	239.8	2.48	234	13.98%	205.3	-9.68%	227.3	453.04%	41.1
RAFAEL MARTIN DE BUSTAMANTE VEGA/EXECUTIVE	1,754.40	2.29	1,715.2	-11.86%	1,946.0	6.96%	1,819.3	8.55%	1,676.0
JOAQUIN GOMEZ DE OLEA Y MENDARO/NOMINEE	211.5	9.02	194	0.36%	193.3	-16.79%	232.3	-0.73%	234.0
CRISTOBAL GONZALEZ DE AGUILAR ALONSO-URQUIJO/NOMINEE	221.9	1.32	219	4.89%	208.8	-12.01%	237.3	10.89%	214.0
FERNANDO AZAOLA ARTECHE/EXTERNAL	85.5	-57.25	200	4.55%	191.3	-3.87%	199	0.76%	197.5
MIGUEL CERVERA EARLE/NOMINEE	209.4	3.15	203	10.33%	183.8	-13.42%	212.3	151.84%	84.3
ISABEL DUTILH CARVAJAL/INDEPENDENT	194.8	3.07	189	5.53%	179.1	-6.18%	190.9	-1.60%	194.0
IRENE HERNANDEZ ALVAREZ/INDEPENDENT	184.4	1.60	181.5	5.95%	171.3	-4.62%	179.6	1,610.48%	10.5
JUAN LANDECHO SARABIA/NOMINEE	181.5	0.00	181.5	5.40%	172.2	-39.81%	286.1	-38.38%	464.3
SANTIAGO LEÓN DOMEcq/NOMINEE	194	9.17	177.7	339.85%	40.4	n/a	n/a	n/a	n/a
MIGUEL MORENES GILES/NOMINEE	239.8	2.48	234	4.42%	224.1	-11.18%	252.3	-0.08%	252.5
GABRIEL ORAA Y MOYUA/NOMINEE	89.2	-51.34	183.3	5.71%	173.4	-13.21%	199.8	-0.84%	201.5
FRANCISCA ORTEGA HERNÁNDEZ-AGERO	119.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
RAFAEL PRADO ARANGUREN/NOMINEE	181.5	0.00	181.5	5.77%	171.6	-14.11%	199.8	-0.84%	201.5
EMILIO YBARRA AZNAR/INDEPENDENT	195.5	0.77	194	5.55%	183.8	-5.26%	194.0	0%	194.0
<b>Consolidated results of the Company</b>	102.813	19.71%	85,883	9.68%	78,303	-38.04%	126,377	70.18%	74,262
<b>Average employee remuneration</b>	35.918	2.49%	35,045	2.03%	34,347	7.14%	32,057	-5.80%	34,031

Observations
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**D) OTHER INFORMATION OF INTEREST**

If there are any significant issues relating to directors’ remuneration that it has not been possible to include in the foregoing sections of this report, but which it is necessary to include in order to provide more comprehensive and reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

During the 2022 financial year, the Company took out a civil liability insurance policy for its directors and senior managers with a premium totalling EUR 308,768.

This annual report on remuneration was approved by the Board of Directors of the company at its meeting of 22 February 2023.

Indicate whether any director voted against or abstained from approving this report.

Yes

No

Name or company name of any member of the Board of Directors not voting in favour of the approval of this report	Reasons (against, abstention, non attendance)	Explain the reasons