



ANNUAL REPORT  
ON DIRECTOR  
REMUNERATION  
**2021**



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## A) REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR (2022)

### A.1.1. EXPLAIN THE CURRENT DIRECTOR 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 executive 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.

#### Remuneration policy in place for the current financial year:

As stated in Section A.2 below, the Company's Board of Directors, on the proposal of the Appointments, Remuneration and Sustainability Committee, intends to submit to the approval of the forthcoming Elecnor General Shareholders' Meeting a new Director Remuneration Policy applicable to the rest of 2022 and for the 2023, 2024 and 2025 financial years which, in accordance with article 529 r(1) LSC will apply as from the date of its approval.

Notwithstanding the foregoing, as of the date of the preparation of this Report – and up to the time of the approval of the new Remuneration Policy by the General Meeting – the Director Remuneration Policy for 2020, 2021 and 2022 will continue to apply, as explained below.

On 22 May 2019, the General Shareholders' Meeting of Elecnor, S.A. ("Elecnor" or the "Company") approved the "Director Remuneration Policy for 2020, 2021 and 2022" (the "Policy") with 95.07% of affirmative votes. This Policy had been previously approved by the Company's Board of Directors through a resolution passed on 27 March 2019, on a proposal and following a reasoned report by Elecnor's Appointments and Remuneration Committee (now, Appointments, Remuneration and Sustainability Committee), at its meeting of 18 February 2019.

Pursuant to the Company's Articles of Association and Board Regulation, the General Shareholders' Meeting must determine the maximum compensation to be received as the directors' remuneration for all of the functions they perform, in the discharge of both executive as well as of non-executive duties.

On the basis of the foregoing and of the principles regulating the Policy, the maximum amount of the annual remuneration for the directors overall is established at ten (10) million euros. This maximum amount will remain in force until such time as a change is approved.

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

Pursuant to the Company's Articles of Association and Board Regulation, there are three (3) cumulative remuneration systems for the directors overall for the discharge of non-executive duties:

- a. a maximum amount of 7% of the profits obtained by the consolidated group in the year, determined after making the provision for the payment of taxes and following compliance with the legal requirements established to these effects and purposes, as well as
- b. a fixed allocation in cash to be determined by the General Meeting, and
- c. the attendance fees which, according to the circumstances, are to be allocated as compensation for the expenses of attendance and other costs to be met in the exercise of their offices and functions.

Likewise, and maintaining the foregoing remuneration policy, the remuneration will not necessarily be the same for all of the directors for the discharge of non-executive duties, and the distribution thereof will be agreed by the Company's Board of Directors according to article 12 of the Articles of Association, for which purpose the following will be taken into account:

- a. membership on Board Committees or the holding of offices within them,
- b. membership on the Boards of Directors of other companies belonging to the Elecnor Group and attendance at Board meetings,
- c. the time devoted to their duties by the directors and the responsibility assumed by them, and
- d. their functions and track record on the Board of Directors.

Consequently, to determine the remuneration of each director during the 2021 financial year, a basic remuneration was established for all of them as a fixed allocation, for their status as directors, to which the amounts corresponding to the various parameters listed previously have been added.

Likewise, on an exceptional basis, the Company, through a resolution passed by the General Meeting, may grant an additional fixed allocation to those directors who do not perform executive functions, as deemed appropriate for any reason whatsoever duly justified by the Board of Directors to the Company's General Shareholders' Meeting.

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

The remuneration of the directors for the discharge of executive duties is independent and compatible with the remunerations and compensations established for the performance of non-executive functions, as specified both in the Articles of Association, as well as in the contract signed between the directors and the Company, and in line with the Policy.

The directors entrusted with executive duties will receive the remuneration stipulated in their respective contracts for the discharge of such duties, according to the following items:

- a. A fixed remuneration in cash, which may be modified during the period to which the Policy refers, through a resolution by the Board of Directors, provided that it does not exceed the maximum compensation to be received as the directors' remuneration for all of the functions they perform, for the discharge of both executive as well as of non-executive duties, determined by the General Meeting.
- b. A variable remuneration, calculated on the basis of qualitative or quantitative reference indicators or parameters, tied to the degree of achievement of targets by the executive directors (agreed by the Board of Directors on the proposal of the Appointments and Remuneration Committee, such as turnover, operating profit, earnings after tax ("EAT"), contracting and debt, among others). The significance of the variable remuneration could be far superior to that of the fixed remuneration components.

c. A remuneration based on the handover of Company shares or share options.

d. The following benefits or remuneration in kind: (i) inclusion in the civil liability insurance policy for executives and directors arranged by the Company at all times; (ii) 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 (iii) also, the Executive Chairperson will continue to enjoy all of those benefits which, as the case may be, the Company makes available to its executives taken as a group.

e. 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 drafting of the current Director Remuneration Policy, the Appointments and Remuneration Committee (now, Appointments, Remuneration and Sustainability Committee) and the Board of Directors had recourse to external consultancy provided by the Cuatrecasas law firm. Likewise, comparable companies, essentially in terms of invoicing and business sector, were taken into account for establishing the Company's Director Remuneration Policy.

#### 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, who is the only member of the Board of Directors considered for receiving a variable remuneration.

In this regard, and without prejudice to any changes as may be introduced into the new Remuneration Policy, as of the date of the preparation of this Report, the Executive Director's variable remuneration is tied to the Company's outcomes and to the Director's personal performance, calculated on the basis of qualitative or quantitative reference indicators or parameters, in relation to the degree of achievement of targets.

Thus, the Executive Director's variable remuneration for the 2021 financial year will be determined, in accordance with his Contract, in relation to the degree of achievement of a number of targets, which will be set by the Board of Directors, on the proposal of the Appointments and Remuneration Committee.

In terms of the relative importance of the variable remuneration items in comparison to the fixed items (remuneration mix), reference should be made to Section 7.2 of the current Director Remuneration Policy, which reads as follows:

##### "7.2. Variable remuneration

In the case of the Executive Directors, the variable remuneration is tied to the outcomes of the Company and to the personal performance of each Director.

Moreover, in accordance with the Articles of Association and their respective contracts, the remuneration of each Executive Director is established on the basis of the degree of achievement of a number of targets, such as, for example, turnover, operating profit, earnings after tax ("EAT"), contracting and debt, among others.

The significance of the variable remuneration could be far superior to that of the fixed remuneration components."

In addition to the above, it is noted that the Executive Director's fixed remuneration during the 2021 financial year accounted for 46.09% of his total remuneration, while the variable remuneration represented 53.91% of the total.

Also, in the process for the determination and approval of the Remuneration Policy, the Appointments, Remuneration and Sustainability Committee, made up exclusively by Non-Executive Directors and chaired by an Independent Director, proposes the Director 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, Remuneration 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 r LSC. The Remuneration Policy proposal, together with the specific report by the Appointments, Remuneration 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, the current "Director Remuneration Policy for 2020, 2021 and 2022" was approved on 22 May 2019 by the General Shareholders' Meeting of Elecnor, S.A. (the "Policy") with 95.07% of affirmative votes. This Policy had been previously approved by the Company's Board of Directors through a resolution passed on 27 March 2019, on a proposal following a reasoned report by Elecnor's Appointments and Remuneration Committee (now, Appointments, Remuneration and Sustainability Committee), at its meeting of 18 February 2019.

Finally, the contract with the Executive Director includes a clawback clause, according to which the Executive Director 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 Executive Director, 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 Executive Director 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 annual fixed amount proposed for each of the directors for the discharge of their non-executive duties is 143,500 euros as annual fixed remuneration for each member of the Board of Directors (except for the Non-Executive Chairperson) and 1,500 euros as attendance fees for each Board meeting, plus an additional fixed remuneration to be paid on a yearly basis for their membership on the Committees of the Board of Directors as set out below:

For membership on the **Executive Committee**: 25,000 euros.

For membership on the **Audit Committee**  
Member: 15,000 euros.  
Chairperson: 20,000 euros.

For membership on the **Appointments and Remuneration Committee**  
Member: 12,500 euros.  
Chairperson: 17,500 euros.

Details of the annual remuneration paid for the exercise of offices on the **Board of Directors**, which is to remain unchanged from the previous financial year, are set out below:

Non-Executive Chairperson: 270,000 euros.

#### 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.

Once the Annual Accounts for the 2021 financial year have been prepared, the Appointments and Remuneration Committee will propose to the Board of Directors the fixed amounts of the remuneration to be accrued by the Executive Director during the current year.

Notwithstanding the foregoing, in accordance with article 529 q(2) LSC, the new Remuneration Policy applicable to the rest of 2022 and for the 2023, 2024 and 2025 financial years, to be submitted by the Company's Board of Directors for approval by the forthcoming General Shareholders' Meeting, will establish the amount of the annual fixed remuneration of the Executive Director, the sole member of the Board of Directors who performs executive functions in Elecnor.

#### 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 2022 financial year, the Company will have the following insurance coverage in place for its directors:

- Life insurance, with an estimated premium for 2022 totalling 4,541 euros.
- Health insurance, with an estimated premium for 2022 totalling 5,490 euros

#### 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.

Notwithstanding the changes, if any, which may be introduced into the new Remuneration Policy, as of the date of the preparation of this Report, the only member of the Board of Directors paid variable remuneration is the Executive Director.

The Company has two variable remuneration schemes applicable to the Executive Director: short-term variable remuneration (annual) for the current financial year and long-term variable remuneration (multiannual 2020-2022).

The Managing Director's variable remuneration is tied to predetermined and measurable performance criteria making it possible to remunerate his continuing performance during a sufficient period of time for appraising his contribution to the creation of sustainable value. Such variable remuneration is established, in accordance with his Contract, on the basis of the degree of achievement of a number of targets, such as the amount of the consolidated earnings after tax ("EAT"), the volume of contracting of the Group, its debt, compliance with regulations and occupational risk prevention, the Board's evaluation, etc.

The Appointments and Remuneration Committee is the committee responsible for analysing the degree of achievement of the targets set for the Executive Director for payment of his variable remuneration and for informing the Board of Directors, who will examine the proposal by the Committee and approve the amount of such remuneration each year. As of the date of this report, the meeting of the Appointments, Remuneration and Sustainability Committee that analyses, reports on and proposes to the Company's Board of Directors the targets set for the payment of such variable remuneration had not yet been held.

**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 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 Executive Director for the performance of his senior managerial functions, which will accrue for the Executive Director 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 Executive Director'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 Executive Director'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 Executive Director 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 Executive Director would be entitled to receive an additional amount equivalent to one (1) year of his total remuneration.

Likewise, the contract with the Executive Director includes a clawback clause, according to which the Executive Director 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 Executive Director, 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 Executive Director 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 Executive Director and the Company is based on the following terms and conditions:

(a) Duration:

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

(b) Indemnification:

The contract with the Executive Director 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 Executive Director's indemnification is equivalent to two (2) years of his total remuneration, including the Executive Director'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 Executive Director 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 Executive Director would be entitled to receive an additional amount equivalent to one (1) year of his total remuneration.

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

The Executive Director 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 contract establishes an obligation of exclusivity and full dedication to the Company as well as of post-contractual non-competition during a maximum period of two (2) years as from termination of the contract.

(e) Confidentiality

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

(f) Clawback clause

The contract with the Executive Director includes a clawback clause, according to which the Executive Director must refund 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 Executive Director, 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 Executive Director 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. OTROS CONCEPTOS RETRIBUTIVOS COMO LOS DERIVADOS, EN SU CASO, DE LA CONCESIÓN POR LA SOCIEDAD AL CONSEJERO DE ANTICIPOS, CRÉDITOS Y GARANTÍAS Y OTRAS REMUNERACIONES.**

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, Cristobal González de Aguilar Alonso-Urquijo, Miguel Cervera Earle, Juan Landecho Sarabia, Miguel Morenés Giles, Santiago León Domecq, Gabriel Oraa y Moyúa, 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.

Although no significant changes have been made to the current remuneration policy (2020-2022), the Appointments, Remuneration and Sustainability Committee intends to propose a new Director Remuneration Policy to the Board of Directors applicable to the rest of 2022 and for the 2023, 2024 and 2025 financial years, 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, for its subsequent submission to the General Shareholders' Meeting for approval.

**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/informes-anales-sobre-remuneraciones-consejeros>

**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 remuneration for the 2020 financial year was approved by the General Shareholders' Meeting, through a consultative vote, with 93.53% of the share capital in attendance in person or by proxy voting in favour.

Voting on the resolution:

Votes in favour: 65,347,697  
 Votes against: 2,203,538  
 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 (2021)

**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, Remuneration and Sustainability Committee, made up exclusively by Non-Executive Directors and chaired by an Independent Director, proposes the Director 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, Remuneration 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 r LSC. The Remuneration Policy proposal, together with the specific report by the Appointments, Remuneration 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, the current "Director Remuneration Policy for 2020, 2021 and 2022" was approved by the General Shareholders' Meeting of Elecnor, S.A. on 22 May 2019 with 95.07% of affirmative votes, having been previously approved by the Company's Board of Directors through a resolution passed on 27 March 2019, on a proposal and following a reasoned report by Elecnor's Appointments and Remuneration Committee (now, Appointments, Remuneration and Sustainability Committee), at its meeting of 18 February 2019.

In the process for drawing up the current Director Remuneration Policy, the Appointments and Remuneration Committee (now, Appointments, Remuneration and Sustainability Committee) and the Board of Directors had recourse to external consultancy provided by the Cuatrecasas law firm. Likewise, comparable companies, essentially in terms of invoicing and business sector, were taken into account for establishing the Company's Director Remuneration Policy.

**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 Section B.1. above in relation to the amendment of Articles approved by the General Meeting in May 2019, as well as the "Director Remuneration Policy for 2020, 2021 and 2022".

Furthermore, as set out in the preamble of the Remuneration Policy approved, with the approval of the Policy the Company seeks to reduce eventual business and tax risks that could materialise in the future in relation to such remuneration.

The Company has two variable remuneration schemes in place applicable to the Executive Director: short-term variable remuneration (annual) for the current financial year and long-term variable remuneration (multiannual 2020-2022).

Short-term variable remuneration (annual):

The Executive Director's variable remuneration in 2021 accrues 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 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 Concesiones e Inversiones, S.L., corporate development and Team achievement) and the evaluation, if any, made by the Board of Directors.

The Bonus target for 2021 is set at 922,947 euros. 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.

Multiannual variable remuneration 2020-2022:

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, Remuneration and Sustainability Committee, and (iv) completion of the strategic projects, according to the evaluation made by the Long-Term Objectives Plan Team, the Appointments, Remuneration and Sustainability Committee and the Board.

The Appointments, Remuneration 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.

The incentive will be paid once the Board of Directors deems the Long-Term Objectives Plan to have been fulfilled, establishing the date of payment within a period of six months following the date of fulfilment, taking into account the Company's cash management needs.



**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 complies with the terms of the current Director 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 remuneration accrued by the Directors for their non-executive functions is calculated on a fixed basis according to the Remuneration Policy 2020-2022 and is limited by the maximum amount of 7% of the consolidated profits obtained by the Elecnor Group in the financial year, determined after making the provision for the payment of taxes and following compliance with the legal requirements established to these effects and purposes.

Through the application of this Policy, during 2021, 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 3,289,100 euros, thereby complying with the limit set in article 12 of the Articles of Association (and which the Policy includes) of not exceeding the maximum amount of 7% of the profits obtained by the consolidated group in the year, determined after making the provision for the payment of taxes and following compliance with the legal requirements established to these effects and purposes, which is estimated at approximately 85,883,000 euros.

Similarly, with respect to the Executive Director, the Company's current Remuneration Policy reads as follows:

"The directors entrusted with executive duties will receive the remuneration stipulated in their respective contracts for the discharge of such duties, according to the following items:

- a. A fixed remuneration in cash, which may be modified during the period to which the Policy refers, through a resolution by the Board of Directors, provided that it does not exceed the maximum compensation to be received as the remuneration of the directors for all of the functions they perform, for the discharge of both executive as well as of non-executive duties, determined by the General Meeting.
- b. A variable remuneration, calculated on the basis of qualitative or quantitative reference indicators or parameters, tied to the degree of achievement of targets by the executive directors (agreed by the Board of Directors on the proposal of the Appointments and Remuneration Committee, such as turnover, operating profit, earnings after tax ("EAT"), contracting and debt, among others). The significance of the variable remuneration could be far superior to that of the fixed remuneration components."

Consequently, the remuneration accrued by the Executive Director in 2021, both the fixed as well as the variable remuneration, conforms to the Company's current Remuneration Policy.

With respect to how the remuneration accrued and vested in 2021 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,

Remuneration and Sustainability Committee and approved by the Board of Directors in relation to the Executive Director's short-term variable remuneration are set out below:

- 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.

**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	67,551,235	77.26%
	Number	% of votes cast
Votes against	2,203,538	3.26%
Votes in favour	65,347,697	96.74%
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 Remuneration Policy approved by the General Meeting. In particular, the annual fixed remuneration for each of the directors, for their non-executive functions, for membership on the Board of Directors, was 143,500 euros and 1,500 euros as attendance fees for each Board meeting, plus what they receive for their membership on Board Committees as set out below:

Remuneration for Committee membership:

- For membership on the Executive Committee: 25,000 euros.
- For membership on the Audit Committee.  
Member: 15,000 euros.  
Chairperson: 20,000 euros.
- For membership on the Appointments and Remuneration Committee.  
Member: 12,500 euros.  
Chairperson: 17,500 euros.

Details of the annual remuneration for the exercise of offices on the **Board of Directors** are shown below:

Non-Executive Chairperson: 270,000 euros.

Secretary: 9,200 euros (up to his voluntary resignation from the office of Secretary on 24 June 2020).

The aforementioned amounts were increased with respect to the previous financial year, in view of the fact that during 2020 the Board of Directors of Elecnor, S.A. decided to reduce the fixed remuneration of the Board, Chairperson and Secretary by 30% during the period in which the Temporary Workday Reduction Plans implemented by the Company to combat the COVID-19 crisis were in place (from 13 April to 31 May 2020). Similarly, the Directors' fees for attendance at the meetings held electronically during the months of April, May and June 2020 were eliminated.

#### **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 for the performance of senior management functions by the Executive Director will be as follows:

Mr Rafael Martín de Bustamante Vega (Managing Director).

- Salary: 577,000 euros.

Consequently, this amount has increased 4.72% with respect to the previous financial year, although the reason for this increase was the 30% reduction in the Executive Director's fixed salary during 2020 to combat the COVID-19 crisis (from 13 April to 31 May 2020).

#### **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:

- 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.

- Each director who is a beneficiary of remuneration systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external director).
- 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**

The only director to receive variable remuneration during 2021 was the Executive Director (Rafael Martín de Bustamante Vega):

##### Annual variable remuneration:

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.

For the 2021 financial year, the amount of the short-term variable remuneration totalled 914,000 euros.

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

The only director to receive variable remuneration during 2021 was the Executive Director (Rafael Martín de Bustamante Vega).

##### Multiannual variable remuneration 2020-2022:

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, Remuneration and Sustainability Committee, and (iv) completion of the strategic projects, according to the evaluation made by the Long-Term Objectives Plan Team, the Appointments, Remuneration and Sustainability Committee and the Board.

The Appointments, Remuneration 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.

The incentive will be paid once the Board of Directors deems the Long-Term Objectives Plan to have been fulfilled, establishing the date of payment within a period of six months following the date of fulfilment, taking into account the Company's cash management needs.

No long-term variable remuneration has accrued for the Executive Director during the 2021 financial year.

**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 Executive Director. At the present time, no "malus" (reduction) clauses are included in the contract with the Executive Director, although the Company is considering the possibility of incorporating such clauses for the payment of the variable remuneration. As of this day and date, 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.** EXPLIQUE, EN SU CASO, LAS INDEMNIZACIONES O CUALQUIER OTRO TIPO DE PAGO DERIVADOS DEL CESE ANTICIPADO, SEA EL CESE A VOLUNTAD DE LA EMPRESA O DEL CONSEJERO, O DE LA TERMINACIÓN DEL CONTRATO, EN LOS TÉRMINOS PREVISTOS EN EL MISMO, DEVENGADOS Y/O PERCIBIDOS POR LOS CONSEJEROS DURANTE EL EJERCICIO CERRADO.

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 Executive Director 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 Executive Director's death or invalidity).

The amount of the Executive Director's indemnification is equivalent to two (2) years of his total remuneration, including the Executive Director'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 Executive Director 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 Executive Director would be entitled to receive an additional amount equivalent to one (1) year of his total remuneration.

Notwithstanding the foregoing, the aforementioned indemnification has neither accrued nor been paid during the 2021 financial year.

**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 Executive Director during the 2021 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 2021 financial year, the Company had the following insurance coverage in place for its directors:

- Life insurance, with a premium totalling 4,325 euros in 2021.
- Health insurance, with a premium totalling 5,189.59 euros in 2021.

**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 2021 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, Cristobal González de Aguilar Alonso-Urquijo, Miguel Cervera Earle, Juan Landecho Sarabia, Miguel Morenés Giles, Gabriel Oraa y Moyúa, and Rafael Prado Aranguren) were paid €20,000 as remuneration for their membership on the Board of Directors of Enerfin Sociedad de Energía, S.L.U., a company 100%-owned by Elecnor, S.A. Similarly, Santiago León Domecq received €10,000 for the same item.

## C) ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Nombre	Tipología	Período de devengo ejercicio 2020
Mr JAIME REAL DE ASUA ARTECHE	NOMINEE	From 01/01/2021 to 31/12/2021
Mr IGNACIO PRADO REY-BALTAR	NOMINEE	From 01/01/2021 to 31/12/2021
Mr RAFAEL MARTIN DE BUSTAMANTE VEGA	EXECUTIVE	From 01/01/2021 to 31/12/2021
Mr JOAQUIN GOMEZ DE OLEA Y MENDARO	NOMINEE	From 01/01/2021 to 31/12/2021
Mr CRISTOBAL GONZALEZ DE AGUILAR ALONSO URQUIJO	NOMINEE	From 01/01/2021 to 31/12/2021
Mr FERNANDO AZAOLA ARTECHE	EXTERNAL	From 01/01/2021 to 31/12/2021
Mr MIGUEL CERVERA EARLE	NOMINEE	From 01/01/2021 to 31/12/2021
Ms ISABEL DUTILH CARVAJAL	INDEPENDENT	From 01/01/2021 to 31/12/2021
Ms IRENE HERNANDEZ ALVAREZ	INDEPENDENT	From 01/01/2021 to 31/12/2021
Mr JUAN LANDECHO SARABIA	NOMINEE	From 01/01/2021 to 31/12/2021
Mr SANTIAGO LEÓN DOMEQO	NOMINEE	From 01/01/2021 to 31/12/2021
Mr MIGUEL MORENES GILES	NOMINEE	From 01/01/2021 to 31/12/2021
Mr GABRIEL ORAA Y MOYUA	NOMINEE	From 01/01/2021 to 31/12/2021
Mr RAFAEL PRADO ARANGUREN	NOMINEE	From 01/01/2021 to 31/12/2021
Mr EMILIO YBARRA AZNAR	INDEPENDENT	From 01/01/2021 to 31/12/2021

### 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	Mr JAIME REAL DE ASUA ARTECHE / NOMINEE	Mr IGNACIO PRADO REY-BALTAR / NOMINEE	Mr RAFAEL MARTIN DE BUSTAMANTE VEGA / EXECUTIVE	Mr JOAQUIN GÓMEZ DE OLEA Y MENDARO / NOMINEE	Mr CRISTÓBAL GONZÁLEZ DE AGUILAR ALONSO-URQUIJO / NOMINEE	Mr FERNANDO AZAOLA ARTECHE / EXTERNAL	Mr MIGUEL CERVERA EARLE / NOMINEE	Ms ISABEL DUTILH CARVAJAL / INDEPENDENT	Ms IRENE HERNÁNDEZ ÁLVAREZ / INDEPENDENT	Mr JUAN LANDECHO SARABIA / NOMINEE	Mr SANTIAGO LEÓN DOMEQO / NOMINEE	Mr MIGUEL MORENES GILES / NOMINEE	Mr GABRIEL ORAA Y MOYÚA / NOMINEE	Mr RAFAEL PRADO ARANGUREN / NOMINEE	Mr EMILIO YBARRA AZNAR / INDEPENDENT
Fixed remuneration	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5	143.5
Attendance fees	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Remuneration for membership on Board committees	37.5	40.0	25.0		25.0	25.0	9.4	27.5	20.0			40.0			32.5
Salary			577.0												
Short-term variable remuneration			914.0												
Long-term variable remuneration															
Indemnification															
Other items	282.5	12.5	12.5	12.5	12.5	12.5	12.5				6.2	12.5			
Total 2021	481.5	214.0	1.690.0	174.0	199.0	197.5	183.4	189.0	181.5	161.5	167.7	214	161.5	161.5	194.0
Total 2020	460.8	185.3	1.926	173.3	188.8	191.3	163.8	179.1	171.3	152.2	40.4	204.1	153.4	151.6	183.8

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
Director 1	Plan 1 Plan 2										

Observations

**iii) Long-term savings schemes.**

Remuneration from vesting of rights to savings schemes

Director 1

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 on-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights
Director								

**iv) Details of other items.**

Name	Life insurance premiums	Health insurance premiums
Mr JAIME REAL DE ASUA ARTECHE / NOMINEE		
Mr IGNACIO PRADO REY-BALTAR / NOMINEE		
Mr RAFAEL MARTIN DE BUSTAMANTE VEGA / EXECUTIVE	4,325.00 €	925.19 €
Mr JOAQUIN GOMEZ DE OLEA Y MENDARO / NOMINEE		
Mr CRISTOBAL GONZALEZ DE AGUILAR ALONSO-URQUIJO / NOMINEE		
Mr FERNANDO AZAOLA ARTECHE / EXTERNAL		2,476.04 €
Mr MIGUEL CERVERA EARLE / NOMINEE		
Ms ISABEL DUTILH CARVAJAL / INDEPENDENT		
Ms IRENE HERNANDEZ ALVAREZ / INDEPENDENT		
Mr JUAN LANDECHO SARABIA / NOMINEE		
Mr SANTIAGO LEÓN DOMEÑO / NOMINEE		
Mr MIGUEL MORENES GILES / NOMINEE		
Mr GABRIEL ORAA Y MOYUA / NOMINEE		1,788.36 €
Mr RAFAEL PRADO ARANGUREN / NOMINEE		
Mr EMILIO YBARRA AZNAR / INDEPENDENT		
<b>TOTAL</b>	<b>4,325.0 €</b>	<b>5,189.59 €</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	Mr JAIME REAL DE ASUA ARTECHE / NOMINEE	Mr IGNACIO PRADO REY-BALTAR / NOMINEE	Mr RAFAEL MARTIN DE BUSTAMANTE VEGA / EXECUTIVE	Mr JOAQUIN GOMEZ DE OLEA Y MENDARO / NOMINEE	Mr CRISTOBAL GONZALEZ DE AGUILAR ALONSO-URQUIJO / NOMINEE	Mr FERNANDO AZAOLA ARTECHE / EXTERNAL	Mr MIGUEL CERVERA EARLE / NOMINEE	Ms ISABEL DUTILH CARVAJAL / INDEPENDENT	Ms IRENE HERNANDEZ ALVAREZ / INDEPENDENT	Mr JUAN LANDECHO SARABIA / NOMINEE	Mr SANTIAGO LEÓN DOMEÑO / NOMINEE	Mr MIGUEL MORENES GILES / NOMINEE	Mr GABRIEL ORAA Y MOYUA / NOMINEE	Mr RAFAEL PRADO ARANGUREN / NOMINEE	Mr EMILIO YBARRA AZNAR / INDEPENDENT
Fixed remuneration	20,0	20,0	20,0	20,0	20,0		20,0			20,0	10,0	20,0	20,0	20,0	
Attendance fees															
Remuneration for membership of board committees															
Salary															
Short-term variable remuneration															
Long-term variable remuneration															
Indemnification															
Other items															
<b>Total 2021</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>		<b>20,0</b>			<b>20,0</b>	<b>10,0</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>	
<b>Total 2020</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>	<b>20,0</b>		<b>20,0</b>			<b>20,0</b>		<b>20,0</b>	<b>20,0</b>	<b>20,0</b>	

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	

Director 1	Plan 1												
	Plan 2												

Observations

**Long-term savings schemes.**

Remuneration from vesting of rights to savings schemes

Director 1																			
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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 on-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights

Director 1																				
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Observations

**iii) Details of other items.**

Name	Item	Amount of remuneration
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Director 1		
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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	Mr JAIME REAL DE ASÚA ARTECHE / NOMINEE	Mr IGNACIO PRADO REY-BALTAR / NOMINEE	Mr RAFAEL MARTÍN DE BUSTAMANTE VEGA / EXECUTIVE	Mr JOAQUÍN GÓMEZ DE OLEA Y MENDARO / NOMINEE	Mr CRISTÓBAL GONZÁLEZ DE AGUILAR ALONSO-URQUIJO / NOMINEE	Mr FERNANDO AZAOLA ARTECHE / EXTERNAL	Mr MIGUEL CERVERA EARLE / NOMINEE	Ms ISABEL DUTILH CARVAJAL / INDEPENDENT	Ms IRENE HERNÁNDEZ ÁLVAREZ / INDEPENDENT	Mr JUAN LANDECHO SARABIA / NOMINEE	Mr SANTIAGO LEÓN DOMEÑO / NOMINEE	Mr MIGUEL MORENES GILES / NOMINEE	Mr GABRIEL ORAA Y MOYÚA / NOMINEE	Mr RAFAEL PRADO ARANGUREN / NOMINEE	Mr EMILIO YBARRA AZNAR / INDEPENDENT	TOTAL
Remuneration accruing in the Company																
Total cash remuneration	481.5	214.0	1,690.0	174.0	199.0	197.5	183.4	189.0	181.5	161.5	167.7	214.0	161.5	161.5	194.0	4,570.1
EBITDA from vested shares or financial instruments																
Remuneration by way of savings schemes																
Other items of remuneration			5.2			2.5							1.8			9.5
Total 2021	481.5	214.0	1,695.2	174.0	199.0	200.0	183.4	189.0	181.5	161.5	167.7	214.0	163.3	161.5	194.0	4,579.6
Remuneration accruing in group companies																
Total cash remuneration	20.0	20.0	20.0	20.0	20.0		20.0			20.0	10.0	20.0	20.0	20.0		210.0
EBITDA from vested shares or financial instruments																
Remuneration by way of savings scheme																
Other items of remuneration																
Total 2021 Group	20.0	20.0	20.0	20.0	20.0		20.0			20.0	10.0	20.0	20.0	20.0		210.0
Total 2021 Company + Group	501.5	234.0	1,715.2	194.0	219.0	200.0	203.4	189.0	181.5	181.5	177.7	234.0	183.3	181.5	194.0	4,789.6

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	Mr JAIME REAL DE ASÚA ARTECHE / DOMINICAL	Mr IGNACIO PRADO REY-BALTAR / DOMINICAL	Mr RAFAEL MARTÍN DE BUSTAMANTE VEGA / EJECUTIVO	Mr JOAQUÍN GÓMEZ DE OLEA Y MENDARÓ / DOMINICAL	Mr CRISTÓBAL GONZÁLEZ DE AGUILAR ALONSO-URQUIJO / DOMINICAL	Mr FERNANDO AZAOLA ARTECHE / EXTERNO	Mr MIGUEL CERVERA EARLE / DOMINICAL	Ms ISABEL DUTILH CARVAJAL / INDEPENDIENTE	Ms IRENE HERNÁNDEZ ÁLVAREZ / INDEPENDIENTE	Mr JUAN LANDECHO SARABIA / DOMINICAL	Mr SANTIAGO LEÓN DOMECO / DOMINICAL	Mr MIGUEL MORENÉS GILES / DOMINICAL	Mr GABRIEL ORAA Y MOYÚA / DOMINICAL	Mr RAFAEL PRADO ARANGUREN / DOMINICAL	Mr EMILIO YBARRA AZNAR / INDEPENDIENTE	Consolidated results of the Company	Average employee remuneration
2021	501.5	234	1,715.2	194	219	200	203	189	181.5	181.5	177.7	234	183.3	181.5	194	85,883	35,045
% variation 2021-2020	4.31%	13.98%	-11.86%	0.36%	4.89%	4.55%	10.33%	5.53%	5.95%	5.40%	339.85%	4.42%	5.71%	5.77%	5.55%	9.68%	2.03%
2020	480.8	205.3	1,946.0	193.3	208.8	191.3	183.8	179.1	171.3	172.2	40.4	224.1	173.4	171.6	183.8	78,303	34,347
% variation 2020-2019	-7.5%	-9.68%	6.96%	-16.79%	-12.01%	-3.87%	-13.42%	-6.18%	-4.62%	-39.81%	n/a	-11.18%	-13.21%	-14.11%	-5.26%	-38.04%	7.14%
2019	519.8	227.3	1,819.3	232.3	237.3	199	212.3	190.9	179.6	286.1	n/a	252.3	199.8	199.8	194.0	126,377	32,057
% variation 2019-2018	-0.33%	453.04%	8.55%	-0.73%	10.89%	0.76%	151.84%	-1.60%	1,610.48%	-38.38%	n/a	-0.08%	-0.84%	-0.84%	0%	70.18%	-5.80%
2018	521.5	41.1	1,676.0	234.0	214.0	197.5	84.3	194.0	10.5	464.3	n/a	252.5	201.5	201.5	194.0	74,262	34,031
% variation 2018-2017	0.29%	n/a	6.38%	0.64%	0.70%	-91%	108.66%	0.78%	n/a	-17.24%	n/a	0%	0.75%	0.75%	0.78%	4.26%	-1.20%
2017	520	n/a	1,575.5	232.5	212.5	2,197.0	40.4	192.5	n/a	561.0	n/a	252.5	200.0	200.0	192.5	71,227	34,444

Observations

## 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 2021 financial year, the Company took out a civil liability insurance policy for its directors and senior managers with a premium totalling 277,567 euros.

This annual report on remuneration was approved by the Board of Directors of the company at its meeting of 23 February 2022.

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

