



Remuneration Policy 2022-2025

Reference	33_ Política Remuneraciones _2_2022
Title of the Standard	Remuneration Policy
Geographical scope	World
Category	Policy
Approval Date	6 May 2022
Approval body	Shareholders' General Meeting
Current version	V2

Important information about this document	
Identification of the document	Director's Remuneration Policy 2022-2025
Reference	33_ Política Remuneraciones _2_2022
Territorial scope of application	World
Section of other rules that it covers	
Rules that it replaces	Previous version 2021-2023
Rules that it repeals	Previous version 2021-2023
Main staff responsible for of its surveillance	Appointment Committee
Body or Department that proposes it	Appointment Committee
Author	Appointment Committee
Approval body	Shareholders' General Meeting
Approval date of current text	6 May 2022
Date of application	6 May 2022
Published and accessible in	Extra-Net

Version	Date	Approval body	Author	Summary of changes
v1	8 May 2020	Shareholders' General Meeting	Appointment Committee	
V2	6 May 2022	Shareholders' General Meeting	Appointment Committee	New features introduced in the LSC by Law 5/2021



DIRECTORS' REMUNERATION POLICY 2022-2025



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INTRODUCTION

The Board of ACS, Actividades de Construcción y Servicios S.A. (“ACS”, the “Company” or the “Group”), approved at its meeting on March 24, 2020, following a report from the Remuneration Committee, to submit this remuneration policy to the Board for the rest of fiscal year 2022 and fiscal years 2023, 2024 and 2025 (referred to as the “remuneration policy” or the “policy”) to a binding vote in the next General Meeting, as a separate item on the agenda, pursuant to Article 529 of the consolidated text of the Corporate Enterprises Act, enacted by Royal Legislative Decree 1/2010, of July.

The current remuneration policy was approved at the General Meeting held on May 8, 2020, with a three-year term covering the years 2021, 2022 and 2023. The proposal of this remuneration policy essentially responds to its adaptation to the amendments introduced to the Corporate Enterprises Act by Law 5/2021 of April 12, which amended the revised text of the Corporate Enterprises Act.

In any case, this remuneration policy is a continuation of the previous remuneration policy, which was approved by the majority at the General Meeting of 2020 with a vote in Favor by 95.493% of the share capital present and represented, and the changes proposed with respect to the previous policy are essentially aimed at adapting it to Law 5/2021, of April 12, which amended the revised text of the Corporate Enterprises Act.

The proposed remuneration policy, and the Remuneration Committee’s specific report that justifies and motivates the policy, have been available on the Company’s corporate website since the announcement of the General Meeting.

The remuneration and its corresponding amounts included in this policy are understood to be gross amounts, with each director assuming the corresponding withholding or deposit of income tax that may be applicable, which will be borne by them in all cases.

In addition to the remuneration referred to in this policy, ACS Directors may receive remuneration which, where appropriate, may come from other companies in the Group due to their presence on the Board of these companies. Such remuneration will be subject to the corresponding legal and statutory requirements applicable to each of these companies, and they will be duly informed of its receipt by the directors in the corresponding annual report on the remuneration of ACS directors.

1. PRINCIPLES OF THE REMUNERATION POLICY

Through this remuneration policy, issued under the provisions of the Articles of Association and the Board Regulations, the aim is to establish the criteria for the remuneration of directors with the aim of guiding the activities of the Board and the Remuneration Committee in this area.

This remuneration policy is intended to remunerate the directors appropriately in accordance with their required qualifications, the responsibility assumed and the dedication given, ensuring that such remuneration is in line with market requirements and sufficient in order to attract and retain directors of the desired profile, but not so high as to compromise the independence of the non-executive directors' criteria.

With regard specifically to the directors who carry out executive duties, the Policy aims to attract, retain and motivate the Company's professionals, so that it can fulfil its strategic objectives within the highly competitive and globalised framework in which it carries out its activities, thus establishing the measures and practices that are most appropriate for this purpose.

In accordance with all of the above, the ACS remuneration system for the rest of 2022 and 2023 to 2025 is based on the following principles:

Alignment with long-term value creation for shareholders in accordance with ESG principles¹

- To establish a close link between achieving strategic objectives and contributing value to our shareholders.
- To review the remuneration policy on a regular basis to ensure alignment between achieving results and creating value for the shareholder.
- To take into account any qualifications, if any, that may be included in the external auditor's report and that reduce the Company's results.
- To associate a significant part of the executive directors' remuneration with the achievement of financial, business, value-creation and sustainability objectives in their environmental, social and good governance vectors.

In this regard, in accordance with the 2025 Sustainability Master Plan, ACS aims to drive global sustainability, promoting the transition towards sustainable infrastructures, as a key player in economic development to integrate specialised and diverse talent and a benchmark in good business practices with governance committed to sustainability, in accordance with ESG principles.

In particular, as regards Directors' remuneration, as described in this Remuneration Policy, payment of variable remuneration to directors who perform executive functions in the Company is directly linked to financial and non-financial objectives, which reinforce the Group's commitment to the creation of shared value by establishing specific quantifiable objectives related to profitability, economic value, the environment, human rights, occupational safety, diversity and professional integration, governance in its various components, including business ethics and regulatory compliance, and sustainability in general.

Talent attraction, retention and motivation

- To offer competitive and fair rewards and benefits to attract and retain the best professionals.
- To consider the evolution of national and international standards, best practices, recommendations and trends in the remuneration of the directors of listed companies.

¹ Refers to Environmental, Social and Governance principles.

Compensation for professional accountability and career paths	<ul style="list-style-type: none"> • To offer extraordinary compensation only when the results justify it. • To appropriately remunerate each director's professional worth, experience, dedication and responsibility. • To ensure that there is no discrimination based on gender, race, ethnic origin, religion or sexual orientation. • To establish a level of transparency in remuneration that is in line with corporate governance best practices with the aim of building trust between shareholders and investors.
Internal equity and external competitiveness	<ul style="list-style-type: none"> • To offer a remuneration package that is competitive with that of comparable entities on an international scale, both in terms of its structure and its overall size. • To establish amounts that provide sufficient remuneration for the qualifications, dedication and responsibility of the directors.
Balance between the remuneration elements	<ul style="list-style-type: none"> • To establish a balanced remuneration package for the executive directors, in which a significant part of the total remuneration is variable.

WHAT WE DO**Executive Directors**

- Link the payment of remuneration to the Company's results ("pay for performance").
- The weight of the financial metrics to which the variable rate is linked cannot be less than 60% or greater than 80%.
- Align remuneration with the interests of the shareholders and the Company as a whole, so that a part of the variable remuneration is linked to sustainability objectives.
- Long-term incentive plan:
 - A minimum target measurement period of 3 years.
 - Linked to the value of the share and/or delivery of shares.
 - Linked to objectives aligned with the Group's strategic priorities.
- Permanent holding of shares with an equivalent value greater than twice the fixed remuneration.
- As part of the variable remuneration evaluation process, the Remuneration Committee assesses the quality of the results in the long term and any associated risks.
- Recurrent external advice for the purpose of considering market practices as another element to be taken into account in the decision-making process related to the policy's design.

WHAT WE DON'T DO**Executive Directors**

- There is no guaranteed variable remuneration.
- No discretionary remuneration is granted.
- There are no clauses in force in contracts that establish severance payment, except for the Chief Executive Officer in which the severance payment will be equivalent to two years and will be based on the fixed remuneration plus the amount corresponding to the variable remuneration calculated considering 100% of objectives achieved.
- Stock value hedges received during the retention period are not allowed.
- There is no right to compensation due to change of control.

Non-Executive Directors

- Remuneration is in accordance with the responsibilities and duties assumed by each director without compromising the independence of its members.

Non-Executive Directors

- They do not participate in pay formulas or systems linked to the Company's performance or personal performance.
- They do not receive their remuneration via the issuance of shares, options or rights over shares or instruments referenced to the value of the share.
- They do not participate in long-term savings systems such as pension plans, retirement systems or other social welfare systems.

2. FUNCTIONS ASSUMED BY THE REMUNERATION COMMITTEE

Article 28 of the Board Regulations outlines the responsibilities and functions assumed by the Remuneration Committee, including those relating to the remuneration of directors and senior managers reporting directly to the Board, Executive Committees or Chief Executive Officers.

The following is a summary of how the remuneration Committee intervenes in the decision-making process as regards determining, implementing and reviewing the remuneration policy:

Determining the remuneration policy
<ul style="list-style-type: none"> • It proposes to the Board the directors' remuneration policy for presentation to the General Meeting including the overall maximum amount, items and remuneration amounts. • It proposes to the Board the remuneration policy for senior managers reporting directly to the Board, Executive Committees or Chief Executive Officers. • It draws up a specific report, which it presents to the Board, on the proposal for the director's remuneration policy which is submitted for approval by the General Meeting.
Application of the remuneration policy
<ul style="list-style-type: none"> • It proposes to the Board the annual remuneration for executive directors, which will include the share of fixed remuneration and variable remuneration linked to the fulfilment of predetermined and quantifiable strategies and objectives, established by the Board, on the proposal of the Remuneration Committee and in line with this remuneration policy, which are linked to actions outlined in the Company's strategic plan. • It reports to the Board on the individual determination of the remuneration of each of the directors in their capacity as such within the framework of the bylaws and the remuneration policy, and on the individual determination of the remuneration of each of the directors for the performance of the executive duties attributed to them within the framework of the remuneration policy and in accordance with the terms of their contracts. • It proposes the metrics and objectives linked to the variable remuneration of executive directors and senior managers reporting directly to the Board, Executive Committees or Chief Executive Officers, considering the possible impact in the long term, the sustainability of the results and any associated risks. • It regularly monitors the fulfilment of the predetermined and quantifiable objectives, aligned with the strategic plan, which must be evaluated to determine the definitive amount of the annual variable remuneration and, where appropriate, the multiannual remuneration of the executive directors and of the above senior managers to whom they may apply. • It assesses the fulfilment of the objectives linked to the variable remuneration of the executive directors and the above senior managers. • The Remuneration Committee is supported in this evaluative role by the Audit Committee, which provides information on the audited results and the verified non-financial reporting status of the Company and the consolidated Group. • It also proposes the annual report on the directors' remuneration.

Review of the remuneration policy

- It periodically reviews the remuneration policy, which extends to non-executive directors and executive directors, integrating the comparison with reference companies into this review process, selecting comparable groups of companies to check the adequacy and moderation of the remuneration of their non-executive directors and executive directors with respect to the market.

In carrying out this function, the Remuneration Committee may be advised by independent external consultants and remuneration experts.

In any case, the Committee will ensure that potential conflicts of interest do not have an adverse effect on the independence of the external advice that it is given.

In relation to the process of determining, reviewing and approving the remuneration policy, the reasoned proposal of the remuneration policy must be submitted by the Board and must be accompanied by a specific report from the Remuneration Committee, with both documents made available to shareholders on the ACS website from the date of the call to the General Meeting.

The Board is also responsible for approving, at the proposal of the Remuneration Committee, the terms and conditions of the contracts of the Company's executive directors, within the framework of the remuneration policy approved by the General Meeting (sections 249 and 529 [18] of the Corporate Enterprises Act), with the executive directors abstaining from participating in the deliberation and voting on the resolutions relating to those contracts.

To avoid possible conflicts of interest at the General Meeting, any directors who, following a public request, have been appointed as proxies by a shareholder for the General Meeting, must refrain from exercising the voting rights corresponding to the shares represented in relation to resolutions concerning the remuneration policy, unless they have received voting instructions in this respect.

3. REMUNERATION POLICY FOR EXECUTIVE DIRECTORS

Elements of the executive directors' remuneration policy for the performance of their executive duties

Without prejudice to the remuneration that they may receive as members of the Board, the elements that make up the executive directors' remuneration package for the performance of their executive duties are outlined in this section.

A. FIXED REMUNERATION

Purpose:

To compensate for the performance of the executive duties associated with the position, career path and market information from comparable companies.

Limits:

For the performance of their executive duties, the Company's executive directors will receive the following amounts as fixed annual remuneration in 2022, updated annually with the average increase applied to the rest of the Company's workforce in their annual remuneration:

- Executive Chairman: EUR 1,790 thousand.
- Chief Executive Officer: EUR 1,600 thousand (*)
- Executive Deputy Chairman: EUR 780 thousand
- Director and Secretary General: EUR 1,316 thousand

Operation:

Fixed remuneration is established according to the level of responsibility, leadership and career path, favouring the retention of key professionals and providing sufficient economic independence to balance the importance of other remuneration elements.

The fixed remuneration is paid in cash, on a monthly basis.

B. LONG-TERM SAVINGS SYSTEMS

Purpose:

To offer a complete compensation package that is competitive and in line with market practices in comparable companies.

Operation:

Remuneration, rights and compensation relating to long-term savings systems derive from the contracts signed with each executive director, approved by the Board, the conditions of which were adjusted to the personal, professional and market practice circumstances at the time. ACS is committed to respecting these commitments that have been undertaken and maintaining its best practices policy in future allocations:

Executive Chairman and Director-Secretary General:

They are beneficiaries of long-term savings systems that are formalised through collective savings insurance contracts related to compensation in the form of capital since 2004, and which are consolidated while the amounts are paid to the insurance company with which the pension plan is outsourced. Once the contractually agreed retirement age is reached, as is the case, the annual amounts to contribute remain constant in the future.

In 2022, these amounts are EUR 1,362 000 for the Executive Chairman and EUR 657,000 for the Director-Secretary General. These amounts will remain unchanged during this remuneration policy's period of validity.

When the director retires the entire fund contributed up to that point is collected as a lump sum; there is no non-competition agreement, because there is no other remuneration that financially offsets the non-competition (there is no remuneration other than the pension in the event of retirement); and lastly, in the event of death, the director's heirs are entitled to the fund that has been generated.

Once the agreed retirement age has been reached, they must retire should this be required by the Company, meaning that if they fail to do so, the Company would cease its obligation to contribute to the fund and the fund would be reduced by 25% for each year.

Chief Executive Officer:

The Chief Executive Officer is the beneficiary of a long-term savings system, being a participant in a pension plan whose maximum contribution is set at 30% of the fixed annual remuneration to be made while the Chief Executive Officer's contractual relationship with the Company is in force and until he/she reaches the legal retirement age, at which time the Chief Executive Officer may receive the entire fund contributed up to that time. In the event of death, the CEO's heirs are entitled to the fund that has been generated.

Executive Deputy Chairman:

Coming from Grupo Dragados, S.A, which was absorbed by the Company in 2003, and the Executive Deputy Chairman, who had specific conditions, is entitled to a monthly supplement, additional to the mandatory benefits of the General Social Security Regime relating to retirement and disability. These defined benefit pension liabilities are outsourced with collective life insurance contracts.

The director, who is over 65 years of age, has not retired, and therefore has not claimed the benefit and the insurance company has paid out the amounts awarded as an actuarial mathematical reserve in favor of the Company.

C. SOCIAL BENEFITS AND OTHER REMUNERATION ELEMENTS

Purpose:

To offer a complete compensation package that is competitive and in line with market practices in comparable companies.

Operation:

Executive directors may enjoy remuneration in kind, which is in line with the general policy applicable to the Company's directors. This remuneration may include life insurance, health insurance and dental coverage, and the use of a Company vehicle, among other benefits.

D. ANNUAL VARIABLE REMUNERATION

Purpose:

To encourage the fulfilment of the annual financial and non-financial objectives, which are consistent with the Group's strategy and in alignment with the interests of shareholders.

Limits:

Target

It will be achieved if 100% of the pre-established objectives are met (as a percentage of fixed pay updated with the average raise applied to the rest of the company's staff in the year it is paid out):

- Executive Chairman: 160%
- Chief Executive Officer: 130%
- Executive Deputy Chairman: 107%
- Director and Secretary General: 127%

Maximum

This will be achieved in the event that the pre-established objectives are exceeded. It will be limited to 200% of the fixed remuneration. The fixed remuneration in this case relates to that provided for in section 3.A) of this Policy.

The annual variable remuneration of the executive directors may be reviewed according to their development and consolidation in the position, the evolution of the Company's results, and other factors that the Remuneration Committee may consider appropriate.

Any update to the terms described above will be approved by the Board, on a proposal from the Remuneration Committee. The reasons for such an update will be appropriately reported in the annual report on the directors' remuneration for the corresponding fiscal year.

Metrics:

It is linked to the achievement of a combination of concrete, predetermined and quantifiable quantitative and qualitative objectives, which are aligned with the Group's corporate interest and strategy. These objectives may include, among other aspects, economic-financial, business, operational, and/or value-creation metrics, and indicators linked to sustainability in their social, environmental and/or corporate governance vectors.

In particular, the annual variable remuneration scheme will be distributed between financial and non-financial objectives, which must meet the following criteria:

- The financial objectives will be divided into at least two variables referenced to the company's own profitability and the generation of operating cash flows of the company:
 - The most usual metrics to determine the **evolution of the company's profitability** may be net profit (BN) versus budget, return on equity (ROE, ROCE or equivalent measures) and/or

the relative evolution of ACS's share in the capital markets (TSR, annual yield, dividend yield, etc.), or a combination of these.

- The financial metrics reflecting the Group's **cash flow generation** capacity should at least include a parameter that the different market agents usually accept as a reference. These may be EBITDA, free cash flow (FFL), net debt evolution or a combination of these.
- Non-financial targets should be aligned with ESG principles and corporate due diligence duties on sustainability and human rights.

These objectives may be established based on specific metrics or global assessment by third parties, in particular prestigious specialised rating agencies, and inclusion in international indexes,² in accordance with the materiality analyses carried out by the Group, which may include:

- **Environmental:** metrics related to the commitment to the fight against Climate Change (reduction of GHG emissions, impact investment, etc.), circularity (recycling rates, waste reduction, etc.), sustainable building, and biodiversity.
- **Social:** metrics related to improvements in occupational safety, incorporation of talent, promotion of diversity and/or integration of vulnerable groups,
- **Governance**, in a double sense. On the one hand, metrics aimed at promoting a corporate governance model aligned with the best international standards and the ACS Group's business culture, which includes annual compliance with the objectives of the Global Compliance Management System in its different areas, specifically in matters of professional ethics and training plans in sustainability for employees and suppliers. On the other hand, metrics aimed at compliance with international standards in human rights and social sustainability.

In the event that the objectives are achieved, the financial objectives will have a maximum weight, which, on a proposal from the Remuneration Committee and subsequent approval by the Board, would range between 60% and 80%, with the weight of non-financial targets ranging between 20% and 40%.

Operation:

The Board is responsible, on the proposal of the Remuneration Committee, for approving the metrics and objectives at the beginning of each fiscal year, and evaluating fulfilment of the objectives at the end of each fiscal year.

Each metric, where reasonably possible, has an associated achievement scale. This scale, which is fixed at the beginning of the year, will include: a minimum threshold, below which no incentive will be paid; a target level, which corresponds to the fulfilment of 100% of the pre-established objectives and the payment of the variable annual target remuneration; and, a maximum level, in the event that the objectives are exceeded, which corresponds to the payment of the maximum annual variable remuneration. For intermediate levels, the incentive is calculated by linear interpolation.

In order to calculate the amount of annual variable remuneration, the Remuneration Committee will first consider the degree of compliance and the weighting of each of the objectives individually and then the overall degree of achievement of the objectives as a whole. To this end, the internal rules and procedures established by the Company for its directors for the evaluation of the objectives will apply.

In this respect, any economic, positive or negative effects arising from extraordinary events that could introduce distortions in the results of the evaluation have been eliminated and the quality of the results

² Dow Jones Sustainability Index or ratings agencies such as MSCI, Sustainalytics, Vigeo, etc.

in the long term and any associated risks in the annual variable remuneration proposal will be considered.

The annual variable rate may be paid in cash and/or capital instruments.

Once the fiscal year has come to an end, the incentive will be paid in a lump sum or progressively over a period of more than one year.

E. MULTIANNUAL VARIABLE REMUNERATION

Purpose:

To encourage sustainable achievement of results in the long term and alignment with the interests of ACS's shareholders and all interest groups.

E.1 INCENTIVE SCHEMES DERIVED FROM PREVIOUS POLICIES THAT CONTINUE TO BE APPLICABLE

The long-term incentive plan, implemented through an ACS stock options plan, was approved by the Company's Board at its meeting on July 25, 2018, in use of the authorisations granted by the General Meetings held on April 28, 2015 and May 4, 2017, and following a favourable report from the Remuneration Committee, which was held on this same date.

Beneficiaries of this action options plan include the Executive Chairman and the Director-Secretary General. The implementation of the options by the beneficiaries is subject to a double condition:

- The very nature of the chosen financial instrument, which may be called in from the fourth year, implying alignment with the creation of value for the shareholder in the long term
- The fulfilment of ACS's operational, financial and sustainability evolution during the period 2018-2020. In particular, two criteria were established, one of which is financial in nature and the other non-financial, with different weightings.

The financial criterion chosen, with an 85% weighting, is the return on equity (ROE). The non-financial criteria chosen, with a weighting of 15%, is related to sustainability, with the obligation to be in the top 60% in the world ranking prepared annually by RobecoSAM for the Dow Jones Sustainability Index.

The details of this plan and the number of options allocated are outlined in the relevant document No. 268315, which was forwarded to the CNMV.

E.2 FUTURE MULTIANNUAL VARIABLE REMUNERATION

Limits:

Maximum

The General Meeting's approval resolution will establish the maximum number of capital instruments that can be allocated to each of the executive directors.

Metrics:

The multiannual variable remuneration may be linked to the economic-financial, business and operational objectives as envisaged in the Group's strategy, the shareholder value-creation objectives, and the non-financial objectives that are linked to the Group's sustainability plans.

Some of the metrics may be assessed in relation to a comparison group composed of competing companies or companies that carry out similar activities.

The weight of non-financial targets will be a maximum of 40%.

Operation:

The new multiannual variable remuneration plans, while continuing along the same line as the existing plans as regards those features that are aligned with best practices and corporate governance recommendations, also offer the possibility to introduce aspects that will allow further progress in alignment with the recommendations of shareholders and institutional investors.

The objectives measurement period will be at least three years.

The multiannual variable remuneration may be paid in cash and/or may include the delivery of shares, options on shares or remuneration rights linked to the value of shares, provided that the objectives that have been established for that purpose have been met.

The compliance scale, set at the beginning of the multiannual variable remuneration plan, includes a minimum threshold below which no incentive will be paid and a maximum level, if the objectives have been exceeded. For intermediate levels it will be determined by linear interpolation.

The objectives will be approved by the Board at the beginning of the multiannual variable remuneration plan, on the proposal of the Remuneration Committee. The Committee will monitor the objectives on a yearly basis and the degree of achievement will be determined once the multiannual variable remuneration plan is finalised.

Once the level of achievement of the objectives has been determined, any positive or negative economic effects arising from extraordinary events that could introduce distortions in the results of the evaluation will be eliminated

At the end of the objective measurement period, the incentive will be paid in a lump sum or progressively over a period of more than one year. The shares that are issued from the plan, net, as the case may be, of the applicable taxes, may be subject (in whole or in part) to a retention period.

Commitment to permanent ownership of shares

Executive Directors undertake to maintain a number of ACS shares equal to two (2) times their annual gross fixed remuneration over time, as long as they remain on the Board and carry out their executive duties.

At present, all executive directors fulfil this requirement.

For new executive directors, a five-year period is established from the date of appointment to achieve that objective.

Distribution of remuneration items within the Executive Directors' remuneration package – Pay Mix

The Executive Directors have a fully flexible variable remuneration system, which responds appropriately to the results that have been achieved and, in the event that the minimum compliance thresholds established are not reached, would lead to variable pay being reduced to zero.

The maximum reference amount of the annual variable remuneration is 200% of the fixed remuneration of each executive director, and will only be reached in the event of exceeding the pre-established objectives.

The maximum reference amount of the multiannual variable remuneration will be established for each plan that is initiated in the agreement of the General Meeting, to which it will be submitted for approval.

In any case, the detail of the pay mix for each executive director will be reflected in the corresponding annual report on the directors' remuneration.

Contractual conditions for executive directors

At present, the contracts of the executive directors are of a commercial nature. They regulate the performance of their duties and responsibilities and include clauses that are typical of this type of contract. These contracts have been proposed by the Remuneration Committee and approved by the Company's Board.

The main clauses in the executive directors' contracts are summarised below:

	Description
Duration	Indefinite (although, at the request of the Company, executive directors may retire after the age of 65).
Notice period	At present, executive directors' contracts do not include any notice period.
Compensation in the event of termination of the contractual relationship	<p>Executive Directors are not entitled to compensation in the event of the termination of their executive duties, except in the case of the Chief Executive Officer, for whom the compensation will be equivalent to two years and will be based on the fixed remuneration plus the amount corresponding to the variable remuneration calculated considering 100% fulfilment of objectives. Compensation will not be payable if the dismissal occurs as a result of wilful or grossly negligent conduct on the part of the Chief Executive Officer in the performance of the CEO's duties, which causes damage or loss to the company.</p> <p>No compensation will be paid out in the event of a change of control.</p> <p>In the event of future additions, the Company may establish a maximum compensation which is equivalent to two annuities of the fixed remuneration.</p>
Commitment to non-competition	There are no non-competition agreements.

Exclusivity	This includes the obligation to provide services exclusively to the Company on a full-time basis and, accordingly, the Executive Directors may not provide services, for their own account or for the account of others, directly or indirectly to third parties outside the ACS Group, without the express agreement of the Company.
Confidentiality	The Board Regulations establish that directors will avoid using the Company's confidential information for private purposes.

Ex-post control of variable remuneration

The Remuneration Committee will have the competence to propose the cancellation or refund of the payment of variable, short- or long-term remuneration of the beneficiary(/ies) or relevant person(s) to the Board in the event of circumstances arising which justify that the variable remuneration has been earned or paid based on inaccurate or incorrect information or data, or that there have been breaches in the internal corporate regulations or applicable legislation, which are then subsequently proven.

4. REMUNERATION POLICY FOR THE DIRECTORS IN THEIR CAPACITY AS SUCH

As regards the remuneration of the directors in their capacity as such, ACS offers a competitive and reasonable remuneration package in relation to the demands of the market and according to their effective dedication, qualification and responsibility.

Directors, in their capacity as such, are remunerated according to their effective dedication, qualification and responsibility. Thus, the amount of remuneration of the directors in their capacity as such is calculated to provide incentives for dedication, which at the same time does not constitute an impediment to their independence.

The remuneration system for directors in their capacity as such for the year will consist of a fixed allowance independent of any payment that may correspond to the executive directors for their executive duties.

In an attempt to make the fixed components of the remuneration as objective as possible, a proposal has been made to maintain the system that is currently in place, which consists of the annual remuneration amount for each director being established based on the positions they hold on the Board, their presence on different Board Committees, and the duties that they each have on each committee.

Below are the elements of the remuneration policy for the directors in their capacity as such:

	Board	Executive Committee	Committees
Chairman	EUR 390,000*	--	EUR 40,000
Vice Chairman	EUR 365,000*	EUR 365,000*	--
Board Member	EUR 90,000	EUR 60,000	EUR 30,000

**The amounts determined for the Chairman, Vice-Chairmen of the Board and Vice-Chairman of the Executive Committee will include any amounts due for presence on Committees other than the Executive Committee; all other amounts will be aggregated.*

ACS has also contracted a liability policy for administrators, managers and staff with duties recognised by ACS.

5. REMUNERATION POLICY APPLICABLE TO NEW DIRECTORS

If new executive directors are hired during the term of this policy and taking into account the corporate interest in ensuring the viability and continuity of corporate management, the Board may, at the proposal of the Remuneration Committee, apply temporary exceptions to this remuneration policy, with it being understood that these exceptions will apply until the next General Meeting where the remuneration policy will be adapted as necessary.

In this regard, the Remuneration Committee and the Board will determine the elements and amounts of the remuneration system applicable to the new executive director, taking into account the duties assigned, responsibilities assumed, professional experience, the market remuneration of that post and any other duties deemed appropriate. This will be duly reflected in the corresponding contract to be signed between ACS and the new executive director.

To facilitate the recruitment of an external candidate, the Remuneration Committee may also propose to the Board the establishment of a special incentive to compensate for the loss of incentives not earned in the previous company on the grounds of dismissal and the consequent acceptance of ACS's offer.

As regards internal promotions, the Committee may, in turn, maintain, cancel and/or compensate pre-existing incentives and other obligations that may be in effect at the time of appointment.

In relation to the social welfare system, new executive directors will be able to participate in defined contribution systems where the annual contribution will be aligned with internal policies and market practices.

The severance payment, that may be agreed upon with the new appointments, will not exceed two fixed remuneration annuities.

If new non-executive members are incorporated into the Board during the period of this remuneration policy, the remuneration system outlined in the previous section "Remuneration Policy for Directors in their capacity as such" will apply to them.

In any case, in the corresponding annual Directors Remuneration Report, the Company will report on these temporary exceptions to this remuneration policy.

6. ALIGNMENT OF THE POLICY WITH THE CONDITIONS OF THE COMPANY'S EMPLOYEES

In order to establish the executive directors' remuneration conditions that are outlined in this remuneration policy, the remuneration strategy applicable to the employees of the Company has been taken into account.

In this respect, the remuneration policy applicable to executive directors is aligned with that of the staff, thus paying them for the value they provide to ACS and sharing the following principles:

Total remuneration	<ul style="list-style-type: none"> The remuneration package offered by ACS may consist of fixed, short- and long-term variable components, and in-kind rewards and other social benefits. In any case, fixed remuneration has a relevant weight to the extent that variable remuneration may become zero in certain circumstances. In addition, the amounts and relative weight of the remuneration elements are adapted to local practices in the markets in which ACS operates.
Equal Pay	<ul style="list-style-type: none"> Non-discrimination based on gender, age, culture, religion or race is guaranteed in the application of the remuneration practices and policies. In this regard, ACS professionals are paid in a manner consistent with the level of responsibility, leadership and performance level within the organisation, thus favouring the retention of key professionals and attracting the best talent.
Meritocracy and “pay for performance”	<ul style="list-style-type: none"> In line with the Company's remuneration practices, a significant part of the executive directors' total remuneration is variable in nature and its allocation is linked to the achievement of concrete predetermined financial, business and value-creation objectives, which are quantifiable and aligned with ACS's corporate interest.
Balance between global strategy and local practices	<ul style="list-style-type: none"> ACS's remuneration policy, which is applicable to both executive directors and employees, is designed to be aligned with the Company's strategic plan on a global level. However, the implementation of the policy takes into account the local particularities of the different markets in which ACS operates.
Values	<ul style="list-style-type: none"> ACS's remuneration policy is designed to attract and retain the best talent, and promote a high-performance culture.

7. MAXIMUM AMOUNT OF DIRECTORS' REMUNERATION

The amount of remuneration that the Company may pay all of its directors on a yearly basis will be as follows:

- The items outlined in the “Executive Directors’ Remuneration Policy” section above, which remunerate the executive directors for the executive duties that they carry out;
- A total of EUR 4 million for the directors as a whole, in their capacity as such. The establishment of the exact amount to be paid within the above limit and its distribution among the different directors is the responsibility of the Board, taking into account the duties and responsibilities attributed to each director, presence on Committees within the Board and other objective circumstances that may be deemed relevant.

The maximum amount outlined under this heading will remain applicable for the duration of this remuneration policy unless the General Meeting decides to amend it in the future.

8. TERM

This remuneration policy will remain in force for the rest of 2022 from its approval by the General Meeting, and for 2023, 2024 and 2025, without prejudice to any modifications that may be approved at any time by the General Meeting.