



ESG BONUS TARGETS 2022 (for Executive Directors)

- 3.75% Diversity: % of the vacancies and new hires, of Group top management positions (Management Tier 1 and Tier 2) and Corporate positions (approved since January 1, 2022) filled by women in 2022
- 3.75% H&S: Lost Time Injury Frequency: Number of Lost time injuries (fatalities, permanent disabilities, and lost workday cases) per 200,000 working hours in 2022
- 3.75% Code of Ethics Training: % of enrolled employees who have completed their Code of Ethics training (induction as well as refreshment) in 2022
- 3.75% De-carbonization: Number tons of CO2 equivalent (tCO2 eq) emitted in 2022 (scope 1& 2). CO2 equivalent emissions means Greenhouse gases (GHG) produced, directly or indirectly, and released into the atmosphere coming from company activities. Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by an organization. Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.

Payout will be calculated as a linear interpolation between the target (100% target payout) & maximum Threshold (200% target payout) or as a linear interpolation between the target (100% target payout) & minimum Threshold (50% target payout)

Payout below Minimum Threshold is 0.

	Minimum Threshold (50% payout)	Target (100% payout)	Maximum Threshold (200% payout)
Diversity	25%	30%	35%
H&S	0,95	0,92	0,89
De-carbonization	58,695	55,900 tCO2 (scope 1& 2)	53,105
Code of Ethics Training	95%	97%	99%

ESG targets calculated considering perimeter at January,1 2022. Acquisitions will not be included.



LONG TERM INCENTIVE TARGETS 2022-2024 (for Executive Directors)

EPS TARGET:

EPS (Earnings per share) target is the accumulated EPS value within 2022, 2023 and 2024.

EPS = 2.374 EUR/share (vesting 50%) - Minimum Threshold

EPS = 2.417 EUR/share (vesting 100%) - Target

EPS = 2.503 EUR/share (vesting 200%) - Maximum Threshold

LTI target payout will be calculated as a linear interpolation between the target (100% LTI target payout) & maximum Threshold (200% LTI target payout) or as a linear interpolation between the target (100% LTI target payout) & minimum Threshold (50% LTI target payout)

LTI target payout below Minimum Threshold is 0

ROCE TARGET:

ROCE (Return on Capital Employed) target is the ROCE value in 2024

$ROCE = (\text{Adjusted Operating Profit} - \text{Taxes}) / (\text{Total Capital Employed} - \text{Leases})$

Adjusted Operating Profit includes the pro-forma P&L of acquisitions.

ROCE = 11.75% (vesting 50%) - Minimum Threshold

ROCE = 12% (vesting 100%) - Target

ROCE = 12.25% (vesting 200%) - Maximum Threshold

LTI target payout will be calculated as a linear interpolation between the target (100% LTI target payout) & maximum Threshold (200% LTI target payout) or as a linear interpolation between the target (100% LTI target payout) & minimum Threshold (50% LTI target payout)

LTI target payout below Minimum Threshold is 0

ESG TARGETS:

- 2,5 % Diversity: % of the vacancies and new hires, of Group top management positions (Management Tier 1 and Tier 2) and Corporate positions filled by women in 2024
- 2,5 % H&S: Lost Time Injury Frequency: Number of Lost time injuries (fatalities, permanent disabilities, and lost workday cases) per 200,000 working hours in 2024
- 2,5 % Code of Ethics Training: % of enrolled employees who have completed their Code of Ethics training (induction as well as refreshment) in 2024



- 2,5 % De-carbonization: tCO_{2eq} (Scope 1 + Scope 2) in 2024

LTI target payout will be calculated as a linear interpolation between the target (100% LTI target payout) & maximum Threshold (200% LTI target payout) or as a linear interpolation between the target (100% LTI target payout) & minimum Threshold (50% LTI target payout)

LTI target payout below Minimum Threshold is 0

	Minimum Threshold (50% payout)	Target (100% payout)	Maximum Threshold (200% payout)
Diversity	30%	35%	40%
H&S	0.88	0.85	0.82
De-carbonization	55,702	53,050	50,398
Code of Ethics Training	96%	98%	100%

ESG targets calculated considering perimeter at January 1th, 2022. Acquisitions will not be included. However, The Group is committed to implement our Group policies in the new acquisitions, so they will included in the target/metrics for the following strategic plan

INFORMATION ON PEER GROUP USED IN MERCER COMPENSATION BENCHMARK

The Mercer Compensation analysis was presented to the Appointments & Compensations Committee on October 21, 2021.

The benchmark for Non-Executive Directors and CEO considered a group of 14 Spanish listed comparable companies with a median revenue of 1.574.000 EUR.

The benchmark for the CFO was a group of 12 Spanish comparable companies included in the European Mercer report (MERCER EXECUTIVE REMUNERATION GUIDES)

INFORMATION ON THE EVALUATION OF THE LONG TERM INCENTIVE 2019 – 2021

As committed in the Board Compensation Policy currently in place, a disclose ex-post of EPS and TSR evaluation has been included in 2021 Annual Compensation Report.

TSR evaluation LTI 2019 – 2021 is 0

EPS 2019-2021 stretch target (vesting 200% of PSUs linked to this target) is 1.674 EUR/share

EPS 2019-2021 result is 1.738 EUR/share