REMUNERATION POLICY FOR DIRECTORS OF CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A.

26 May 2021

Contents

1. BACKGROUND AND SCOPE OF APPLICATION

Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Corporate Enterprises Act ("**Ley de Sociedades de Capital**" or "**LSC**") establishes, among other matters, the need for listed companies to have a remuneration policy for their directors.

Pursuant to article 529 novodecies of the Corporate Enterprises Act, the General Shareholders' Meeting is responsible for approving the directors' remuneration policy as a separate item on the agenda, to be applied for a maximum period of three financial years.

The aforementioned article 529 novodecies has been amended as a result of the approval of Law 5/2021, of 12 April, which amends the consolidated text of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010, of 2 July, and other financial regulations, in order to transpose into Spanish law Directive (EU) 2017/828 of the European Parliament and of the Council, of 17 May 2017, amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement in listed companies, with the aim of bringing improvements in the field of corporate governance of listed companies in Spain, and in particular, in relation to directors' remuneration.

Pursuant to the First Transitional Provision of the aforementioned Law 5/2021, the amendments introduced in article 529 novodecies of the LSC, relating to the directors' remuneration policy, shall enter into force six (6) months after their publication in the Official State Gazette (BOE).

Therefore, the remuneration policy for the directors of Corporación Acciona Energías Renovables, S.A. ("**CAER**" or the "**Company**", indistinctly) that is submitted for approval by the General Shareholders' Meeting, by virtue of article 29.7 of CAER's Articles of Association, is in line with the reform of the LSC, without prejudice to the fact that all rules that, where applicable, conflict with the regulations currently in force will not be applicable until the effective entry into force of the new article 529 novodecies of the Corporate Enterprises Act. In accordance with the foregoing, the Sole Shareholder of CAER, at its meeting held on 26 May 2021, decided to approve the remuneration policy for CAER directors, which shall come into force from the date on which the Company's shares are effectively admitted to trading on Madrid, Barcelona, Bilbao and Valencia's Stock Exchanges and included in the Sistema de Interconexión Bursátil (Continuous Market) (the "**Admission**") and shall remain in force for the three financial years following the year in which it was approved by the General Shareholders' Meeting. The Remuneration Policy will therefore apply from Admission and for the current financial year 2021 and the following three financial years (i.e., 2022, 2023 and 2024) (the "**Remuneration Policy**" or the "**Policy**"). The Policy will be submitted to the Appointments and Remuneration Committee once the latter has been established, so that it may prepare the mandatory report on the same, which will be made available to shareholders on the Company's website.

This document identifies, includes and regulates, among other aspects, the procedures for the determination and approval of the Remuneration Policy, the frequency of its review, its general characteristics, its compatibility with the appropriate and effective management of risk, with the strategy, objectives, values, sustainability and long-term interests of the Company, the general principles of the Remuneration Policy, as well as the different remuneration schemes applied.

2. OBJECTIVES OF THE REMUNERATION POLICY

The main purpose of this Policy is, within the remuneration system provided for in the Articles of Association, to establish the remuneration bases for the members of CAER's Board of Directors for the purpose of establishing a remuneration system that contributes to the creation of value for its shareholders in a sustainable manner over the long term and that is compatible with the business strategy, objectives, values and sustainability and the long-term interests of the Company, both in absolute terms and in comparison with the sector.

As a consequence of the above, the practical development of the Policy has been designed with the following objectives:

- Contribute to the business strategy and the long-term interests and sustainability of the Company by attracting, retaining and motivating the contribution of the staff the Company needs to cover the spectrum of knowledge, skills and experience required on its Board of Directors, ensuring that suitable candidates are available for the position, in accordance with applicable regulations.

  In this regard, this policy includes, among the characteristics of the remuneration elements described below, the mechanisms necessary to ensure that the remuneration system for CAER Directors makes a reliable contribution to the achievement of the Company's strategic objectives and ensures the Company's long-term sustainability. These mechanisms include, inter alia, the following:

  – This remuneration policy for CAER directors is a competitive policy that seeks to attract, motivate and retain the right leaders for the fulfilment of the Company's strategy and its long-term sustainability.

  – The policy shall seek to avoid excessive risk-taking by directors in the performance of their duties, including, where appropriate, the necessary safeguards to ensure clawback or that they are cancelled in the event of the circumstances set out in section 5.2.5.

  – The remuneration scheme for Executive Directors will include periodically-reviewed indicators in order to further the implementation of CAER's strategy at any given time.

- Strengthen the consistency of remuneration with effective risk management;

- Prevent conflicts of interest; and

- Drive and reinforce the achievement of the Company's results.

In short, the purpose of this Policy is to define and control, in a clear and concise manner, the Company's remuneration practices towards its Directors in order to, in accordance with articles 217 and 529 novodecies of the Corporate Enterprises Act, on the one hand, promote the long-term profitability and sustainability of the Company and, at the same time, incorporate the necessary safeguards to avoid excessive risk-taking and the rewarding of unfavourable results.

In accordance with the foregoing, the Remuneration Policy seeks to establish a remuneration scheme appropriate to the dedication and responsibility assumed by the persons to whom it applies. The objective is, first, to attract and retain the most suitable profiles and, second, to contribute to the Company's ability to meet its strategic objectives within the framework in which it carries out its activity, all in accordance with the provisions of prevailing legislation.

In compliance with the provisions of article 217 of the Corporate Enterprises Act, the remuneration shall be reviewed periodically to ensure that it is in reasonable proportion to the size of the Company, its economic situation and the market standards of comparable companies.

3. GENERAL PRINCIPLES OF THE REMUNERATION POLICY

In order to ensure that the Company has an appropriate Remuneration Policy applicable to the Board of Directors, CAER has deemed it appropriate to establish clear principles regarding corporate governance and the structure of the Policy.

The Company's Remuneration Policy, including that of the members of the Board of Directors exercising executive functions, is governed by the following principles:

- Consistency with business strategy: The Board of Directors shall define remuneration consistent with the Company's business strategy, risk tolerance and values and long-term sustainability.
- Corporate governance and transparency: The Board of Directors shall adopt the necessary measures to ensure good governance and transparency of Directors' remuneration.
- Balanced design: The Board of Directors shall strive for a reasonable proportion between fixed and variable, annual and multi-year components, cash payments and shares. Specifically, variable remuneration must be relevant and incorporate technical safeguards to ensure that such remuneration is related to the professional performance of its beneficiaries and does not simply derive from the general evolution of the markets, the Company's sector of activity or similar circumstances.
- Internal equity: The Board of Directors shall endeavour to ensure that the remuneration system assigns similar remuneration to comparable functions and dedication.
- Alignment with market practice: The Board of Directors shall endeavour to ensure that Directors' remuneration is moderate and in line with that paid in the market in companies of a similar size and activity.
- Tied to employee conditions: The remuneration system applicable to CAER employees has been taken into account in establishing the remuneration conditions for Executive Directors, as described in this Policy.

  Specifically, in the preparation of this Policy, the aim is to align it with the Company's general remuneration system, seeking in all cases to foster the commitment of all professionals to the Company, personal and corporate ethics, and the promotion of strategic and sustainable development objectives.

  In this sense, the present Policy is aligned with that of the rest of the employees, rewarding them for the value they contribute and sharing the general principles:

  – Total remuneration: CAER's remuneration package can be composed of fixed and variable components, as well as remuneration in kind and other social benefits. In any case, in order to ensure the external competitiveness of all employees, remuneration is periodically reviewed against a group of comparable companies for CAER.

  – Meritocracy: non-discrimination on the basis of gender, age, culture, religion or race is guaranteed in the application of remuneration practices and policies. In this respect, CAER professionals are remunerated in a manner consistent with the level of responsibility, leadership and performance level within the organisation, in order to favour the retention of key professionals and the attraction of the best talent.

– Performance-tied: in line with the Company's remuneration practices, a significant part of the total remuneration of the Executive Directors is variable and is tied to the achievement of predetermined, specific, quantifiable financial, sustainability and value creation targets aligned with CAER's interests.

4. SYSTEM OF REMUNERATION OF THE BOARD OF DIRECTORS FOR ITS COLLECTIVE FUNCTIONS

4.1. Statutory provision

Article 29.1 of CAER's Articles of Association establishes that the remuneration of Directors, in their capacity as such, shall consist of a fixed annual allowance determined by their membership of the Board of Directors and the Committees to which the Director belongs and taking into consideration the functions and responsibilities attributed to each of them.

The maximum amount of annual remuneration that may be paid by the Company to all of its Directors in their capacity as such shall be the amount determined for this purpose by the remuneration policy in force approved by the General Shareholders' Meeting.

Unless the General Meeting or the remuneration policy establishes otherwise, the exact amount to be paid within this maximum limit and its distribution among the various directors shall be determined by the Board of Directors, subject to a report from the Appointments and Remuneration Committee.

In addition, and in accordance with article 29.8 of the Articles of Association, CAER may take out civil liability insurance for its Directors under the usual conditions and in proportion to the circumstances of the Company itself.

4.2. Remuneration items

In compliance with the foregoing provision of the Articles of Association, the remuneration system for Directors for their collective oversight and decision-making functions consists of the following remuneration items:

- Fixed annual remuneration for membership of the Board of Directors.
- Additional fixed annual remuneration for membership of the following Board Committees:
    - Executive Committee, if such a committee has been established.
    - Audit and Sustainability Committee.
    - Appointments and Remuneration Committee.
- Additional fixed annual remuneration for chairing Board Committees.
- Additional fixed annual remuneration for the position of Lead Independent Director if such position is appointed.

Notwithstanding the above, the Executive Directors do not receive any remuneration for their collective oversight and decision-making functions.

In addition, CAER covers the travel and other necessary expenses of the Directors for the performance of their duties. Such duly documented expenses shall not be regarded as daily subsistence allowances.

4.3. Maximum amount of remuneration

In accordance with the provisions of article 29.1 of CAER's Articles of Association, the maximum amount of annual remuneration payable to all Directors in their capacity as such is 1,750,000 euros. This amount may be updated during the term of the Policy by resolution of the General Shareholders' Meeting.

Unless the General Shareholders' Meeting determines otherwise, the distribution of remuneration among the Directors shall be established by resolution of the Board of Directors, which shall take into consideration the functions and responsibilities attributed to each Director, membership of Board Committees and such other facts it deems relevant.

4.4. Fixed annual remuneration

The Board of Directors is responsible for distributing the maximum annual amount among its members and for this purpose shall establish the criteria for determining the amounts corresponding to each director, taking into account, in addition to any other objective circumstances it deems relevant:

- The category of the director.
- The role played by the director on the Board of Directors and on any of its Committees.
- The specific tasks and responsibilities undertaken during the year.
- The experience and knowledge required to perform these tasks.
- The amount of time and dedication required to fulfil it.

Specifically, of the maximum amount set in section 4.3, the Board of Directors has decided on the following amounts to be paid as fixed annual allowance:

(a) Allowance for membership of the Board of Directors (excluding, for clarification purposes, Executive Directors): 100,000 euros.

(b) Additional allowance for chairing the Board of Directors: no allowance.

(c) Allowance for membership of the Audit and Sustainability Committee: 70,000 euros.

(d) Additional allowance for chairing the Audit and Sustainability Committee: 18,000 euros.

(e) Allowance for membership of the Appointments and Remuneration Committee: 55,000 euros.

(f) Additional allowance for chairing the Appointments and Remuneration Committee: 14,000 euros.

(g) Additional allowance for membership of the Executive Committee (if this Committee has been established): 55,000 euros.

(h) Additional allowance for the position of Lead Independent Director (if such position is appointed): 30,000 euros.

The Board of Directors may amend the aforementioned amounts of remuneration within the maximum amount of annual remuneration approved by the General Meeting to be paid to all directors in their capacity as such. The remuneration system, as well as the details of remuneration, shall be disclosed on an annual basis in the corresponding Annual Directors' Remuneration Report.

5. SYSTEM OF REMUNERATION FOR THE PERFORMANCE OF EXECUTIVE FUNCTIONS

5.1. Statutory provision

Article 29.2 of the Articles of Association provides that the remuneration derived from membership of the Board of Directors shall be compatible with any other remuneration (fixed salaries; variable remuneration based on the achievement of business, corporate and/or personal performance objectives with general reference indicators or parameters; remuneration in shares or linked to share performance; indemnities for termination of directors for reasons other than breach of their duties and exclusivity, post-contractual non-compete or continuity provisions; savings or welfare systems and deferred remuneration items) which, upon proposal of the Appointments and Remuneration Committee and by resolution of the Board of Directors, may correspond to the Director for the performance of other duties in the Company, whether executive duties of senior management or otherwise, other than those of collective oversight and decision-making which they perform as members of the Board.

Article 29.4 of the Articles of Association establishes that, subject to a resolution of the General Shareholders' Meeting with the legally required scope, Executive Directors may also be remunerated by the delivery of shares or share options or by any other remuneration system indexed to the value of the shares.

A resolution of the General Shareholders' Meeting will include the maximum number of shares to be allocated during each financial year as part of this remuneration system, the strike price and the system used to calculate the strike price of share options, the value of the shares taken as a reference, when appropriate, and the term of the remuneration scheme.

5.2. Remuneration items

In compliance with the foregoing provisions of the Articles of Association, the remuneration system for Executive Directors consists of the following elements of remuneration, which are implemented in the respective contracts approved in accordance with article 249 of the LSC:

- Fixed annual remuneration.
- Annual variable remuneration.
- Yearly and/or multi-yearly delivery of shares.
- Long-term variable remuneration.
- Saving Schemes, and
- Remuneration in kind.

In this respect, the remuneration mix for Executive Directors, in a scenario of meeting maximum targets, will be made up of 50% variable components and 50% fixed components. In any case, the relative proportion of the remuneration components shall be disclosed in the Annual Directors' Remuneration Report that the Board of Directors issues yearly.

In accordance with article 529 octodecies and novodecies of the LSC, the aspects that must necessarily be included in the Policy with respect to Executive Directors are set out below.

5.2.1. Fixed annual remuneration

Executive Directors shall be entitled to receive a fixed remuneration for the increased level of dedication and responsibility involved in the performance of their duties, which shall be competitive in relation to the usual industry standards for positions of the level of responsibility they hold.

The Executive Director shall receive a fixed gross annual remuneration of 568,000 euros in 2021.

This amount shall remain fixed until such time as the Board of Directors resolves to revise it. In this respect, the Board of Directors may revise, at the proposal of the Appointments and Remuneration Committee, the amount corresponding to the fixed remuneration of Executive Directors based on their performance, of the market remuneration information for comparable companies at global level. Such revision shall be included in the Annual Directors' Remuneration Report which the Board of Directors shall make available to the shareholders yearly when convening the General Shareholders' Meeting for voting and which shall be made available to the shareholders on the Company's website.

5.2.2. Annual variable remuneration

The main reference point for setting the variable remuneration of Executive Directors is the achievement of the financial targets established in the annual budgets, where the evaluation of the individual professional performance of each director is also essential, as judged by the Appointments and Remuneration Committee and ultimately approved by the Board of Directors.

The maximum amount of annual variable remuneration is 100% of the annual fixed salary.

For the assessment of the achievement of the annual financial targets, account is taken of those relating to EBITDA, EBIT, debt level, MW installed, sustainability and other financial targets established at the beginning of the year and aligned with the Company's strategy. In addition to the generation of economic value, targets shall encompass objectives that contribute to the development of a business model that promotes balanced and sustainable development.

The annual performance evaluation of the Executive Directors also includes specific environmental, social and corporate governance targets and metrics. Variable remuneration incorporates the necessary cautionary measures to ensure that such remuneration is related to the professional performance of its beneficiaries and does not simply derive from the overall performance of the stock markets or of the Company's sector of activity.

The Board of Directors may amend the targets set for each financial year to reflect the Company's strategic priorities and to ensure that incentives are aligned with value creation, shareholders' interests and long-term sustainable development.

In calculating the amount of the annual variable remuneration, the Appointments and Remuneration Committee shall consider: (i) the degree of achievement and weighting of each of the objectives individually; and (ii) the overall degree of achievement of the objectives as a whole. To this end, the target assessment procedures established by the Company shall be applied. In this evaluation function, the Appointments and Remuneration Committee may be assisted by other committees and areas of the Company, which provide information on financial and non-financial performance, as well as on environmental, social and corporate governance factors. Both in setting the objectives and in assessing compliance with them, the Appointments and Remuneration Committee also considers any associated risks.

The annual variable remuneration is settled on an accrual basis after the Board of Directors has prepared the Financial Statements, taking into account, where applicable, any qualifications that may be included in the auditor's report, and the specific amount that has been established at the proposal of the Appointments and Remuneration Committee, subject, in accordance with best corporate governance practices, to sufficient verification that the previously established performance or other conditions have been effectively fulfilled.

Within three (3) years from the date on which the payments for which reimbursement is claimed were made, CAER may make a claim against the Director: (i) return of amounts paid when the calculation had been made on the basis of data whose inaccuracy has subsequently been manifestly demonstrated; and, (ii) return of the amounts paid, and/or non-payment of the amounts to which they are entitled where the Director has committed a serious breach of the duties of care or loyalty in accordance with which they must perform their duties at CAER, or for any other serious and culpable breach of the obligations assumed by the Executive Directors by virtue of the contracts signed with CAER for the performance of their executive duties.

In the event of termination of the contractual relationship before the end of the vesting period of the annual variable remuneration for reasons not attributable to the Executive Director, the Executive Director shall be entitled to receive the proportional part corresponding to the effective period in which his services were rendered in the financial year in which the termination occurs.

The annual variable remuneration will be settled either in cash at the time of payment or deferred, in whole or in part, through an extraordinary contribution to a Savings Scheme (as defined in section 5.2.4 of this document), at the election of the Executive Directors.

In addition to the above, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, may approve additional variable incentives tied to the achievement of specific projects and/or strategic milestones whose success may have a significant impact on CAER's strategy and results.

Such incentives, if any, shall be disclosed in the Annual Directors' Remuneration Report.

5.2.3. Yearly and/or multi-yearly delivery of shares.

CAER’s Board of Directors, at the proposal of the Appointments and Remuneration Committee, may, unilaterally and with full discretion, decide on the allocation and delivery of shares to one or more of the Executive Directors in respect of a single year or multi-year period based on the degree of achievement of the objectives and the performance of the Executive Director during the year or multi-year period in question.

In adopting a unilateral decision to deliver shares in respect of a single year or multi-year period, the Board of Directors shall take into account, at its discretion, subject to a report from the Appointments and Remuneration Committee, among other considerations:

(i) the extent to which the objectives for the year or multi-year period concerned have been achieved;

(ii) the personal contribution attributed to the individual performance of the Executive Director; and

(iii) the specific circumstances of CAER and the sectors in which it operates at the time of assessing the grant of the Shares.

The decision on the vesting and characteristics of the possible delivery of shares in respect of a year or multi-year period shall be individual and unrestricted with respect to each Executive Director.

Long-term variable remuneration: Executive Directors may be beneficiaries of long-term remuneration systems aimed at tying their benefits to the achievement of the Company's long-term growth, sustainability and value creation targets.

Long-term remuneration systems for Executive Directors shall have the following characteristics:

1. Long-term variable remuneration schemes shall cover a minimum period of three years.

2. The metrics to be used and the targets to be met shall be defined by the Board of Directors, at the proposal of the Appointments and Remuneration Committee, ensuring in all cases that they are related to the Company's long-term growth, sustainability and value creation targets and to the professional performance of its beneficiaries and are not simply derived from the overall performance of the stock markets or of the Company's sector of activity.

   The following, among others, may be included within the Board of Directors' freedom of decision:

   - Total GWs installed.
   - Cumulative EBITDA for the reference period.
   - Cumulative ordinary profit before tax for the reference period.
   - Sustainability Objectives.
   - Total shareholder return (in absolute and relative terms) for the reference period.
   - Invested projects ratio of IRR to WACC prevailing at the time of investment approval.
   - Project pipeline.
   - Compliance with internal rules and procedures and risk management and control policies.

   The Board of Directors, after taking into account the recommendation of the Appointments and Remuneration Committee, shall define at least the following with respect to the agreed amount(s):

   - The target, quantified where it can be formulated as a metric, for each of these quantities;
   - The minimum level below which no achievement is considered to have been attained; and
   - In the event of more than one metric, the weighting attributed to each of them in the quantification of the level of achievement in the reference period.

3. Long-term variable remuneration schemes shall be paid in shares. Alternatively, they may also be paid in cash, through the delivery of share options or remuneration rights tied to the value of shares, other securities, financial instruments or assets, extraordinary contributions to the Saving Scheme or through the delivery of other assets of the Company, provided that the objectives established for this purpose are met.

4. Long-term remuneration schemes shall include the necessary safeguards to avoid excessive risk-taking and the rewarding of unfavourable outcomes, in accordance with section 5.2.5 below.

5.2.4. Conditions applicable to the delivery of shares

(i) The delivery of shares by CAER to the Executive Directors in accordance with sections 5.2.3 and 0 of the

Policy shall be subject to the following rules: The delivery of the shares shall be subject to the condition that on the date of delivery the Executive Director has not ceased to perform his duties in the Company for any reason not attributable to the Executive Director, in accordance with the conditions and terms established by regulations for share delivery schemes.

(ii) At least 20% of the shares shall be delivered on a deferred basis in the year following the year in which the remaining percentage was delivered and at least one (1) year has elapsed since the date on which such remaining percentage of the shares was delivered to the Executive Director, provided that, in the judgement of the Board of Directors, at the proposal of the Appointments and Remuneration Committee, an event of *malus* as set out in sub-section (iii) below has not occurred.

The delivery of shares (including on a deferred basis) under the long-term variable remuneration scheme shall take place after the Company's General Shareholders' Meeting in the year in which such shares are delivered.

(iii) Within three (3) years from each date on which the shares are delivered (including those delivered on a deferred basis), CAER may claim clawback from the Executive Directors of the amount resulting from the sum of the following items: (i) the amount per share equivalent to the value of the Company's shares on the date of delivery; and (ii) the amount of the tax costs assumed by the Company and not passed on to the Executive Director, if during the aforementioned three (3) year period, in the judgement of the Board of Directors, at the proposal of the Appointments and Remuneration Committee, any of the following events occurs: (a) the Executive Director commits a serious breach of the duties of care or loyalty in accordance with which he is required to perform his duties in the Company, or commits any other serious and culpable breach of the Executive Director's obligations under his contracts with the Company for the performance of his executive duties, or (b) the Executive Director is found to have received shares in execution of the scheme by the Board of Directors taking into account information that is subsequently proven to be manifestly inaccurate.

(iv) Until at least three (3) years have elapsed from each date of delivery of the shares (including shares delivered on a deferred basis), the Executive Directors may not (a) dispose of, encumber or otherwise divest themselves of the shares in any way (other than *by way of mortis causa*), or (b) create any option or other restrictive or security interest over the shares.

The prohibition on disposal set out above shall not apply in the event the Executive Director maintains, when disposing of the shares, a net economic exposure to share price changes of a market value equivalent to an amount of at least twice his annual fixed remuneration by way of ownership of shares, options or other financial instruments. The aforementioned prohibition on disposal shall also not apply to those shares that an Executive Director needs to dispose of in order to meet the costs related to their acquisition or, subject to the favourable opinion of the Appointments and Remuneration Committee, in order to deal with extraordinary situations that so require.

(v) In no case may the number of shares delivered exceed the maximum number of shares approved by the General Shareholders' Meeting.

Within the limits established by regulations, the Company may assume the payment on account, as the case may be, of any remuneration in kind accrued for the delivery of shares to the Executive Directors and not pass it on to them, and the tax cost thereof may be assumed, in whole or in part, by the Company, with the remaining amount borne by the Executive Director. In addition, the payment on account not passed on to the Beneficiary and borne by the Company as a cost will not be passed on to the Executive Director and is considered, in accordance with the applicable tax regulations, as increased earned income of the Executive Director.

5.2.5. Saving Scheme

The Company may establish a Saving Scheme linked to survival at a certain age, permanent disability in the degrees of total, absolute and severe disability, and death, aimed exclusively at Executive Directors, for the purpose of supplementing their public Social Security benefits, under the conditions and terms established in the Regulations of the aforementioned scheme.

Ordinary contributions may be made to the aforementioned Saving Scheme, the amount of which shall be approved by the Board of Directors, at the proposal of the Appointments and Remuneration Committee, from time to time, in accordance with the Executive Directors' contract; and extraordinary contributions charged to their respective annual or long-term variable remuneration, at the discretion of the Executive Directors.

In addition, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, may approve extraordinary contributions to the aforementioned Saving Scheme for Executive Directors, giving details in the Annual Directors' Remuneration Report.

The Board of Directors, at the proposal of the Appointments and Remuneration Committee, may approve, where appropriate, the cancellation or early maturity of the Saving Scheme, in whole or in part, and may recognise financial compensation to Executive Directors in the event of cancellation, provided that their accrued economic rights have not been forfeited by that date. The aforementioned compensation may not exceed the funds accumulated in the Saving Scheme that are subject to cancellation, giving the corresponding details in the Annual Directors' Remuneration Report, as the case may be.

5.2.6. Other remuneration in kind

In addition to the aforementioned remuneration items, Executive Directors shall be entitled to receive certain remuneration in kind, which consist of the following items: life insurance, company car and medical insurance, in accordance with the Company's Benefits Policy in effect at any given time.

Executive Directors shall be entitled to reimbursement of any reasonable expenses (travel, transport, subsistence, mobile telephone, representation or otherwise) incurred in the performance of their services to the Company, provided they are duly documented.

Changes to these remunerations may be approved by the Board of Directors at the proposal of the Appointments and Remuneration Committee.

5.2.7. Main terms and conditions of contracts

Executive Directors provide their services in the performance of executive duties under a commercial contract of indefinite term. Article 28.3 of CAER's Articles of Association establishes a two-year term of office for directors, who may be re-elected one or more times.

No indemnities are agreed for early termination or removal of Executive Directors from exercise of their executive duties, nor are there any hiring bonuses, continuity clauses or notice periods.

Services are rendered by the Executive Directors on the basis of sole and full dedication, without prejudice to the possibility of holding positions in family companies whose activity is not in competition with the group of companies headed by CAER or institutional representative positions in non-profit institutions, unless expressly authorised by the Company, where such authorisation shall not be unreasonably withheld, and provided that the rules of corporate governance are fulfilled.

For a further period of one year from the termination of their contract with the Company, Executive Directors shall refrain from:

a. Rendering services, directly or indirectly, to any person, business or company (whether as a partner, officer, employee, consultant, investor, borrower or otherwise) that is in competition with the business of the Company or the CAER Group, unless expressly authorised by the Company, where such authorisation shall not be unreasonably withheld;

b. Holding, directly or indirectly, the capital of any company or entity that is in competition with the business of the Company or the CAER Group.

   This prohibition shall not be deemed to have been breached with respect to a non-significant shareholding. For these purposes, a shareholding is not considered to be significant when it is an investment that does not confer, directly or indirectly, management duties or significant influence on the competing company;

c. Employing, or attempting to employ or persuading any member (of staff or) of the management team of the Company or of any other company belonging to the CAER Group to resign, or persuading or attempting to persuade any agent, customer, supplier or collaborator of the Company or of the CAER Group to terminate their relationship with them.

The contracts entered into with the Executive Directors exclude any indemnity linked to the post-contractual non-compete prohibition during the one (1) year term assumed by the Executive Directors.

6. GOVERNANCE

6.1. Approval and review of the Policy

This Policy shall be approved by the General Shareholders' Meeting prior to the admission to trading of CAER shares on a Spanish regulated market, without any type of conflict of interest in relation to CAER Directors, and the Appointments and Remuneration Committee shall ratify the Policy once it has been enacted and prepare the mandatory report on the same, which shall be made available to shareholders on the Company's website. The Remuneration Policy of CAER's Board of Directors shall be analysed and reviewed periodically by the Appointments and Remuneration Committee, which shall submit to the Board of Directors any proposals for modification that it deems necessary based on the performance of the Company and the market, as well as any adaptations that may be required to comply at all times with prevailing regulations and the rules of good corporate governance. In the event of a review of the policy, a description and explanation shall be given of any significant changes and how account was taken of any votes taken and opinions received from shareholders on the policy and the annual reports on directors' remuneration since the date of the most recent vote on the remuneration policy at the General Shareholders' Meeting.

In any event, the Appointments and Remuneration Committee shall ensure the correct interpretation and resolution of any conflicts of interest that should arise in connection with the application and review of the Remuneration Policy.

6.2. Oversight and implementation

CAER's Board of Directors is responsible for establishing a system of control and oversight of the specific requirements of the Remuneration Policy applicable to the members of the Board of Directors that ensures compliance with and effective application of the principles established in this Policy.

6.3. Exceptionality

The Company may apply, within the current regulatory framework, exceptions to any or all of the remuneration items described in this Policy, depending on the particular needs of CAER's business, as well as those derived from the macroeconomic situation of the geographies in which the Company operates.

In this respect, the application of such exceptions shall require a reasoned proposal from the Appointments and Remuneration Committee, which must in all cases be analysed and approved by the Board of Directors.

Likewise, any application of an exception shall be duly recorded and explained in the corresponding Annual Directors' Remuneration Report.

The exceptional circumstances referred to in this section shall only relate to situations where the exception to the remuneration policy is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

7. REMUNERATION POLICY APPLICABLE TO NEW DIRECTORS

The remuneration system described above for Executive Directors shall apply to any Executive Director who joins the Board of Directors during the term of this Policy.

The Board of Directors, subject to a report from the Appointments and Remuneration Committee, shall determine the items and amounts of the remuneration system applicable to the new Executive Director, taking into account the time of their incorporation, the duties assigned, the responsibilities assumed, his professional experience, the market remuneration of that post and any others it deems appropriate, which shall be duly reflected in the corresponding contract to be signed between the Company and the new Executive Director.

In the event that new non-executive members join the Board of Directors during the term of this Policy, the remuneration system described in section 4 above shall apply to them.

8. APPROVAL AND ENTRY INTO FORCE

The CAER Directors' Remuneration Policy shall come into force as from the effective date of admission to trading of CAER shares on a Spanish regulated market and shall remain in force for the following three (3) financial years, i.e., 2022, 2023 and 2024.

Any amendment or replacement of the Policy during its term of validity shall require the prior approval of the General Shareholders' Meeting in accordance with the terms of prevailing legislation. In the event that no amendments to the Policy are proposed during this period, a new policy will be presented for approval at the 2024 General Meeting.

In any event, any remuneration received by Directors shall be in accordance with the Directors' Remuneration Policy in force from time to time, except for such remuneration as has been expressly approved by the General Shareholders' Meeting.

The application of this Policy shall be subject, in any case, to any amendments that CAER may deem appropriate to include, in accordance with the prevailing legislation at any given time or the interpretation of the same by the Company itself.

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