

ANNEX 1

ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIMITED COMPANIES
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IDENTIFICATION DETAILS OF THE ISSUER

END DATE OF THE FINANCIAL YEAR IN QUESTION	31/12/2013
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TAX ID	A-28037224
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COMPANY NAME

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

REGISTERED OFFICE

BALMES, 36, BARCELONA

ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIMITED COMPANIES

A COMPANY REMUNERATION POLICY FOR THE YEAR IN PROGRESS

A.1 Explain the Company's remuneration policy. This section will include information on:

- General basis and principles of the remuneration policy.
- Most significant changes made to remuneration policy compared with that applied in the previous financial year, and any modifications made during the year to the conditions for exercising any options already granted.
- Criteria employed and composition of comparable corporate groups the remuneration policies of which have been examined in order to establish the company's remuneration policy.
- Relative significance of variable remuneration items in comparison with fixed items, and criteria established in order to determine the various components of the remuneration package of directors (remuneration mix).

Explain the remuneration policy

In accordance with the terms of Article 37 of the Corporate Bylaws, the remuneration policy for the Directors of FCC takes into consideration the functions and responsibilities exercised by each of them within the Board itself and the corresponding Committees, and corresponds to their dedication to the Company, in order to foster the motivation and retention of the most highly skilled professionals.

In this regard, the remuneration policy for the Directors aims to ensure that they receive competitive remuneration at market rates, in accordance with that paid by companies of a similar size and business, this being subject to periodic review by the Appointments and Remunerations Committee in order to allow it to make a proposal to the Board as to any modifications may be appropriate.

Meanwhile, the remuneration policy must comply with the following criteria as set out in Article 32.2 of the Regulation of the Board of Directors:

- (i) the remuneration of external Directors should be as required in order to remunerate the dedication, qualifications and responsibility required of the position, without the amount thereof jeopardising their independence;
- (ii) if remuneration is provided by means of the handover of stock in the Company or in Group companies, stock options or instruments linked to the stock price, variable remuneration linked to the Company's performance or assurance systems, they must be limited to Executive Directors, except in the case of the handover of stock made dependent on the condition that the Directors should hold them for as long as they remain in their directorial position;
- (iii) in the event of remuneration linked to the results of the Company, this must take into consideration any possible reservations set out in the external auditor's report which would reduce said results; and
- (iv) in the case of variable remuneration, remuneration policies must include the required technical safeguards in order to ensure that such remuneration is related to the professional performance of the beneficiaries and not simply derived from the general evolution of markets or the operational sector of the Company, or other similar circumstances.

Article 37, "Remuneration", of the Corporate Bylaws provides that: "The position of Director is remunerated. This remuneration shall comprise a share of the liquid profits, which may not exceed two percent (2%) of the result for the financial year attributed to Fomento de Construcciones y Contratas, S.A. in the consolidated annual accounts of the Group of which it is the parent company, for the Board of Directors as a whole, once Legal Reserve requirements have been met and the stockholders have been granted a minimum dividend of four percent (4%). The percentage corresponding to each financial year shall be established by the General Shareholders' Meeting.

... Notwithstanding the above, the Directors shall be remunerated for their attendance at meetings of the Board and its internal Committees. For these purposes, the General Shareholders' Meeting shall decide the amount corresponding to each financial year in this regard, to be distributed by the Board among its members in accordance with their effective attendance at meetings of the Board and any internal Committees to which they may belong. ..."

The Board of Directors has agreed to continue the same remuneration policy as in 2013, having decided at its meeting in March 2014 that the remuneration to be received for performance in 2014 of the functions inherent in their status as Directors should, in accordance with the terms laid down in the Corporate Bylaws, comprise a fixed part derived, where applicable, from a share in any liquid profits of the Company, and furthermore, in accordance with their effective attendance at meetings of the Board of Directors and its Committees, according to the terms and amounts set out in the remuneration policy report for the 2013 financial year.

As a result, the remuneration policy for the Directors in the 2014 financial year will be as follows:

A) Fixed remuneration, linked to the existence of any liquid profits:
The annual remuneration to be received by the Directors for their membership of the Board, or its various Committees, is structured as follows:

Fixed remuneration (linked to the existence of profits)

Membership of the Board: 41,720 Euros

Membership of an Executive Committee: 27,744 Euros

Membership of the Audit and Oversight Committee: 20,850 Euros

Membership of the Appointments and Remunerations Committee: 20,850 Euros

B) Remuneration for effective attendance at meetings of the Board of Directors and of its Committees

For the financial year in progress, the remuneration to be accrued for effective personal attendance (*) or by means of remote communication methods (such as videoconferencing, or multi-conferencing) at meetings held by the Board or its Committees.

The amount of said remuneration for the year in progress per meeting will be as follows:

Remuneration for effective attendance/amount in Euros per meeting

Board of Directors: 2,500 Euros

Executive Committee: 1,875 Euros

Audit and Oversight Committee: 1,500 Euros

Appointments and Remunerations Committee: 1,500 Euros

The remuneration of non-executive Directors does not include variable remuneration items linked to the value of FCC stock nor to any other instrument.

In accordance with Article 37 of the Corporate Bylaws, the Company maintains a civil liability insurance policy for its Directors and Executives.

(*) personal: "in person" and not "by proxy".

A.2 Information on preparatory work and the decision-making process employed in order to establish the remuneration policy and any role played by the Remunerations Committee and other supervisory bodies in the configuration of the remuneration policy. This information should, where applicable, include the mandate and composition of the Remunerations Committee and the identity of any external consultants employed in order to define the remuneration policy. The status of any Director who may have been involved in definition of the remuneration policy should likewise be given.

Explain the process to establish the remuneration policy

Report generation process.

Generation of this report involves the active participation of all members of the Appointments and Remuneration Committee, under the direction and coordination of its President, taking into consideration the comments and suggestions made by all of them.

Use was likewise made of information and consultancy from the Company's internal services, without any consultancy being provided by external consultants. (Article 32.2 of the Regulation of the Board of Directors)

According to Article 42 of the Regulation of the Board of Directors, the Appointments and Remunerations Committee's responsibilities include:

"f) Oversight of compliance with the remuneration policy established by the Company, and in particular proposals to the Board of Directors regarding the remuneration policy for Directors and senior executives, the remuneration of Executive Directors and other conditions of their contracts, and the basic contractual conditions of senior executives, presenting information and proposals as to multi-annual incentives plans affecting the senior executive management of the Company, and in particular any which may be established in connection with the value of stock. Likewise, proposals to the Board of Directors regarding the distribution among Directors of the remuneration derived from the membership of the Board as agreed by the General Shareholders' Meeting, in accordance with the terms of these Corporate Bylaws and this Regulation".

The composition of the Appointments and Remuneration Committee is as follows:

DOMINUM DESGA SA represented by Esther Alcocer Koplowitz President (Proprietary)

Gonzalo Anés Álvarez-Castrillón (Independent)

CARTERA DEVA SA represented by Pablo Marín López Otero (Proprietary)

DOMINUM DIRECCION Y GESTION SL represented by Carmen Alcocer Koplowitz (Proprietary)

EAC INVERSIONES CORPORATIVAS SL represented by Esther Alcocer Koplowitz (Proprietary)

Fernando Falcó y Fernández de Cordova (Proprietary)

Rafael Montes Sánchez (Proprietary)

Gustavo Villapalos Salas (Independent)

Olivier Orsini (Independent)

Gonzalo Rodríguez Mourullo (Independent)

José María Verdú Ramos: Non-Member Secretary

Lastly, consideration was also given to data on remuneration paid in the marketplace by companies of a similar size and business, and also the recommendations and indications set out in the Unified Code of Good Governance published by the Spanish National Security Market Commission with regard to the structure of directorial remuneration.

A.3 Indicate the amount and nature of the fixed components, with a breakdown where applicable of remuneration for the performance of senior executive functions by Executive Directors, additional remuneration for the President or the member of any board committee, allowances for involvement in the Board and its committees, or other fixed directorial remuneration, and an estimate of the annual fixed remuneration derived therefrom. Identify other benefits not paid in cash and the fundamental parameters on the basis of which they are granted.

Explain the fixed components of remuneration

As indicated above, the members of the Board of Directors of FCC will receive fixed remuneration derived where applicable from their share in the liquid profits of the Company, and attendance allowances when they effectively attend meetings of the Board of Directors and its Committees, under the terms indicated in Section A.1 above.

Meanwhile, with regard to the Company's Executive Directors, the Board of Directors has decided to maintain for the 2014 financial year the same remuneration structure for the Directors for performance of their executive functions as established in the previous financial year, this being structured as follows:

• Mr. Juan Béjar Ochoa:

The fixed remuneration of the Second Vice-President and Managing Director is: € 2,500,000.

Estimate of the remuneration for effective attendance as a member of the Board:

Board: 27,500 Euros

Executive Committee: 20,625 Euros.

The gross amounts received for membership of the governing bodies of FCC and companies of the FCC Group are deducted from the amount of the variable remuneration.

• Mr. Felipe Bernabé García Pérez

Fixed remuneration € 400,000

Estimate of the remuneration for effective attendance as a member of the Board:

Board: 27,500 Euros

A.4 Explain the amount, the nature and the key characteristics of the variable components of the remuneration systems.

In particular:

- Identify each of the remuneration plans of which the Directors are beneficiaries, the scope thereof, the date of approval, date of implementation, term of validity and key characteristics. In the case of stock option plans and other financial instruments, the general characteristics of the plan will include information as to the conditions for exercising said options or the financial instruments for each plan.
- Indicate any remuneration taking the form of a share in profits or bonuses, and the reason why these were granted.
- Explain the fundamental parameters and basis of any annual bonus system.
- The classes of director (executive directors, external proprietary directors, external independent directors and other external directors) who are beneficiaries of the remuneration systems or plans incorporating a variable remuneration.
- The underlying basis of said variable remuneration systems or plans, the selected criteria for performance evaluation, and the evaluation components and methods in order to establish whether or not the evaluation criteria have been fulfilled, together with an estimate of the absolute amount of the variable remuneration which would derived from the remuneration plan in force, in accordance with the degree of fulfilment of the benchmark hypotheses or objectives.
- Where applicable, information should be given as to the payment deferral or delay periods established and/or any lockdown periods which might apply to stock or other financial instruments.

Explain the variable components of the remuneration systems

The Executive Directors of the Company are the only members of the Board who receive variable remuneration. In this regard, the Board of Directors has decided to maintain for the 2014 financial year the variable remuneration structure which had been received by the Directors for performing their executive functions, structured as follows:

• Mr. Juan Béjar Ochoa:

The remuneration of the Second Vice-President and Managing Director is covered by the contract approved by the Board of Directors at the time of appointment (meeting held on 31 January 2013).

Said remuneration comprises:

- Variable remuneration:

On an annual basis: up to a maximum of € 500,000 (100% objective fulfilment)

On a triennial basis: up to a maximum of € 2,000,000/year (100% objective fulfilment), accruing annually and settled on conclusion of the three-year period.

- Fulfilment of objectives for variable annual and triennial remuneration will be measured in accordance with the percentage annual variation in the following indicators for the consolidated FCC Group, in comparison with listed companies in the same sectors:

o Cash-Flow generated (result net of taxes attributed to the parent company, plus amortisations and provisions)

o Average stock price in the month of December.

o "Net Financial Debt/EBITDA" ratio

- The gross amounts received for membership of the governing bodies of FCC and Group companies will be deducted from the amount of the variable remuneration.

• Mr. Felipe Bernabé García Pérez

- Variable remuneration: the variable percentage is 0-50% of the gross annual salary on the basis of a system which serves to establish the guidelines for scheduling work, evaluating results and channelling performance.

The system is characterised by:

• Remunerate on the basis of results: the variable remuneration is established in accordance with the results achieved both at the FCC Group level and the individual businesses.

• Underpin teamwork: establishing general objectives the achievement of which depends not only on individual efforts but which refer to the results of the entire Group and/or Department/Area.

• Facilitate the achievement of the targets set: by linking a part of the remuneration to achievement of individual objectives within the corresponding sphere of responsibility.

• Contribute to strategic implementation: through the establishment of group objectives.

• Support the achievement of results: through meetings to agree objectives, potential monitoring and final closure, with the focus on achieving objectives.

The system is annual in basis, the objectives are formally established, and once the budgets have been approved by the Board of Directors they remain stable throughout each corresponding financial year, unless exceptional circumstances arise.

Settlement will be performed in accordance with the accrual principle following approval of the annual close by the Board of Directors.

Objectives will be assigned in accordance with the following criteria:

- Group Objectives:

o A part of the remuneration is tied to the results of the Group.

o The reason for this component is to ensure that individuals accept and commit more closely to overall objectives.

o The objectives will be set each year and will be the same for all participants in the system.

o For these objectives the fulfilment levels will be established yearly.

o For the first year, given the situation of the Group and the obligations entered into with our creditors, and also the need to guarantee certain results in terms of EBITDA, FCF and Debt, these must be the main principles on which the variable remuneration policy is to be based.

- Individual Objectives:

o A part of the variable remuneration is tied to the fulfilment of personal objectives pre-established within the corresponding area of responsibility.

o The reason behind this component is to maximise the commitment of individuals covered by the system to the achievement of the established individual objectives.

The weighting of each component out of the total variable remuneration is established in various different modules. Depending on the type of group belonging to the support function or business.

A.5 Explain the key characteristics of long-term savings systems, including retirement and any other ongoing provision financed in whole or in part by the company, whether internally or externally endowed, with an estimate of the amount or equivalent annual cost, indicating the type of plan, whether defined contribution or defined benefit, the vesting conditions for economic rights in favour of Directors and their compatibility with any type of compensation for premature termination or conclusion of the contractual relationship between the Company and the Director.

Indicate also contributions in favour of the Director to defined contribution pension plans, or the increase in the vested rights of the Director, in the case of contributions to defined benefit plans.

Explain the long-term savings systems
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Following the authorisation previously granted by the Executive Committee, the Company contracted and paid the premium of an insurance policy to cover the payment of contingencies regarding death or permanent occupational disability, retirement pensions and rewards, and other items in favour, among others, of certain Executive Directors and senior executives.

In particular, the contingencies giving rise to be compensation are those which involve termination of the employment relationship for any of the following reasons:

- a) Unilateral decision by the Company
- b) Winding-up or disappearance of the parent company for any reason, including merger or demerger.
- c) Death or permanent disability.
- d) Other cases of physical or legal incapacitation.
- e) Substantial modification to personal circumstances.
- f) Retirement above the age of 60 at the request of the executive and with the approval of the Company.
- g) Retirement above the age of 65 at the unilateral decision of the executive.

This Executive Director and General Secretary may receive, in his capacity as beneficiary of the aforementioned insurance policy, an amount equivalent to 3.5 times his annual (net) remuneration.

The estimate of the accumulated rights is: € 2,829,909.09.

During the 2013 financial year no contribution was made the aforementioned insurance in connection with said Director.

A.6 Indicate any forms of compensation agreed or paid in the event of termination of directorial functions.

Explain the compensation payments
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Non- existent.

A.7 Indicate the conditions which must be complied with in the contracts of those performing senior executive functions as Executive Directors. Among other aspects, information should be given as to the duration, the limits on compensation, lock-in clauses, periods of notice, and payment in lieu of the aforementioned notice periods, together with any other clauses regarding contractual bonuses, and also compensation or parachute payments in the event of premature termination or conclusion of the contractual relationship between the Company and the Executive Director. Include, among others, any terms or agreements regarding non-competition, exclusivity, continuation or loyalty and post-contractual non-competition.

Explain the conditions of the contracts of Executive Directors

The two Executive Directors (the Second Vice-President and Managing Director, and the General Secretary), notwithstanding their directorial status, have a contractual relationship with the Company governing the performance of their directorial or executive functions.

In both cases these are unlimited duration contracts subject in general to the regulations regarding: (i) service provision contracts, in the case of the Second Vice-President and Managing Director, and (ii) Senior Executive employment contracts, in the case of the General Secretary.

Said contracts may be terminated by both parties, with these Directors being entitled to receive compensation provided the termination of the contractual relationship is not the result of a breach of their functions attributable to the Director, and is not freely decided on by them, under the following terms:

-Second Vice-President and Managing Director:

-If termination of the contract occurs prior to 31/01/2015: Two years' pay (fixed remuneration + average annual variable + average triennial variable remuneration), in addition to the triennial variable remuneration so far accrued and not settled. All amounts received in any regard from 1 February 2013 onwards will be deducted from this sum. The amount of compensation may not be less than one year's pay.

Between 31/01/2015 and 30/06/2019: One year's fixed pay (€2.5 million) plus:

- Average annual variable remuneration for the past 2 years
- Average triennial variable remuneration for the past 2 years
- Triennial remuneration in progress which has accrued and not been settled.

From 30/06/2019 onwards: a figure equivalent to the minimum established in law for Senior Executives.

- General Secretary:

3.5 years' pay. As a result of the prior contracting and disbursement by the Company of the insurance premium to cover payment of contingencies regarding death or permanent disability, or other cases of incapacitation, substantial modifications to professional conditions, including the winding-up of the Company for any reason and retirement on the unilateral decision of the party concerned having turned 65 years of age, this Director may in his capacity as beneficiary of the aforementioned insurance, receive an amount equivalent to 3.5 times his/her (net) annual remuneration.

The contracts involve for the Directors both during the term of validity of the contractual relationship and any subsequent period specified in each contract a non-competition duty with regard to the activities performed by the Company or Group companies, and a prohibition on the arrangement directly or through an intermediary of other employment, civil or commercial contracts with other companies engaged in activities which are analogous in nature to those of the FCC Group.

Meanwhile, said contracts establish a duty of confidentiality which likewise applies both during the term of validity of the contractual relationship and any subsequent time period which may be specified in each contract, under the terms of which the Executive Directors must return to FCC any documents which, irrespective of the storage medium (hard copy, soft copy, etc.) may be in their possession when the relationship is terminated.

A.8 Explain any supplementary remuneration accrued by Directors as consideration for services provided other than those inherent in their positions.

Explain the supplementary remunerations

There is no supplementary remuneration for services provided to the Company.

A.9 Indicate any remuneration in the form of advances, credits and guarantees granted, indicating the rate of interest, the fundamental characteristics and any amounts which may have been returned, and also obligations assumed on behalf of them by way of guarantee.

Explain the advances, credits and guarantees granted

No advances, credits or guarantees have been granted to any Director by the Company.

A.10 Explain the key characteristics of remuneration in kind.

Explain the remunerations in kind
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Travel Insurance:

The Executive Directors are beneficiaries of a travel accident insurance policy covering trips performed in order to undertake their professional responsibilities at the Company by plane, train or ship, established by the Company for all its employees. Amount covered: € 601,012.10 per person, up to a maximum of € 4,207,091.00 per claim. The amount of the premium is paid in full by the company.

Insurance against death by accident or total permanent disability:

The Executive Directors are the beneficiaries of an insurance policy against death by accident or total permanent disability established by the Company for all its employees, the purpose of which is to cover for any accidents resulting in death or total permanent disability, whether during working hours or otherwise, under the terms and conditions of the policy in force. The cover for both contingencies will extend to the amount of one year of the corresponding fixed salary payments. The amount of the premium is paid in full by the company.

Medical Insurance:

The Executive Directors are the beneficiaries of medical insurance made available by the Company to its employees. In accordance with the established policy, the Company subsidises the cost of this insurance, contributing 50% of the premium.

- A.11 Indicate the remuneration accruing to the Director as a result of payments made by the listed Company to a third party entity at which the Director provides services if the purpose of these payments is to remunerate services thereby at said company.

Explain the remuneration accrued by a Director by virtue of payments made by the listed Company to a third-party entity to which the Director provides services
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Non- existent.

- A.12 Any item of remuneration other than the above, of whatever nature, or the group entity making payment thereof, in particular if classified as a related operation, or if the issuance thereof would distort a true image of the total remuneration accrued by the Director.

Explain other items of remuneration
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Non- existent.

- A.13 Explain the actions taken by the Company with regard to the remuneration system in order to reduce the exposure to excessive risk and to adjust it in line with the long-term objectives, values and interests of the Company, including, where applicable, references to: measures established in order to guarantee that the remuneration policy takes into consideration the long-term results of the Company, measures establishing an appropriate balance between fixed and variable components of remuneration, measures adopted with regard to those categories of personnel whose professional activities have a tangible impact on the risk profile of the entity, clawback formulae or clauses allowing the refunding of variable remuneration components based on results to be reclaimed if those components were paid on the basis of data the inaccuracy of which has subsequently been manifestly demonstrated, and measures established to avoid conflicts of interest, where relevant.

Explain the actions implemented in order to reduce risk
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The FCC remuneration system is directly linked to the results of the Company, and the remuneration of the Directors thus essentially comprises a share in the liquid profits of the Company, which means that if there are no profits, the members of the Board of Directors of FCC receive only the allowances derived from their effective attendance at meetings of the Board and its Committees.

With regard to the Executive Directors, they receive variable remuneration tied to certain objectives, and in the case of the Second Vice-President and Managing Director, a part of his variable remuneration is triennial in nature, accruing annually but paid at the end of the three-year period.

Meanwhile, pursuant to the terms of Article 32 of the Regulation of the Board of Directors, the criteria to be fulfilled by the Company's remuneration policy include a requirement that, if remuneration is linked to the results of the Company, they should take into consideration any possible reservations set out in the report issued by the external auditor which would reduce said results, and that in the case of variable remuneration, remuneration policies must include the required technical safeguards in order to ensure that such remuneration is related to the professional performance of the beneficiaries and not simply derived from the general evolution of markets or the operational sector of the Company, or other similar circumstances.

With regard to measures established in order to avoid conflicts of interest, as established in Article 25 of the Regulation of the Board of Directors of FCC, the Directors have a duty to refrain from attendance at and involvement in any debates affecting matters in which they could have a direct or indirect interest, and from voting on the corresponding decisions. The Directors must likewise report to the Board through the Corporate Responsibility Department or any other body which may replace this, sufficiently in advance, any situation liable to entail a conflict with the interests of the Company or those of the group of companies belonging to the FCC Group and its related companies.

B REMUNERATION POLICY PLANNED FOR FUTURE FINANCIAL YEARS

B.1 Set out a general forecast of the remuneration policy for future financial years, describing this policy with regard to: fixed components and allowances and remuneration which is variable in nature, relationship between remuneration and results, assurance systems, conditions of the contracts of Executive Directors, and the most significant changes expected in the remuneration policy compared with previous financial years.

General forecast of the remuneration policy

The remuneration system detailed in this report is expected to continue to be applied in future financial years, unless the corporate bodies of governance should decide to make any modification in accordance with new circumstances making this advisable.

B.2 Explain the decision-making process for configuration of the remuneration policy expected for future years, and any role played by the remuneration committee.

Explain the decision-making process for the configuration of the remuneration policy

The process detailed in this report is expected to continue to be applied in future financial years, unless the corporate bodies of governance should decide to make any modification in accordance with new circumstances making this advisable.

B.3 Explain the incentives created by the Company within the remuneration system to reduce the exposure to excessive risks and to align the system with the long-term objectives, values and interests of the Company.

Explain the incentives created to reduce risk

The remuneration system detailed in this report is expected to continue to be applied in future financial years, unless the corporate bodies of governance should decide to make any modification in accordance with new circumstances making this advisable.

C OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE FINANCIAL YEAR NOW CLOSED

C.1 Explain in summary the key characteristics of the structure and remuneration items of the remuneration policy applied during the financial year now closed, providing the detail of the individual remuneration accrued by each of the Directors as set out in Section D of this report, and a summary of the decisions taken by the Board for the application of said items.

Explain the structure and items contained within the remuneration policy applied during the financial year

As indicated above, and in accordance with the terms of Article 37 of the Corporate Bylaws, the remuneration of the Company's Directors comprises a share in the liquid profits.

The result for the 2012 financial year, approved at the Annual General Shareholders' Meeting in 2013, was a loss, and so no remuneration in this regard was paid to the Directors, as there were no profits.

Notwithstanding the above, the Directors were remunerated for their attendance at meetings of the Board and its internal Committees.

Meanwhile, the Executive Directors were remunerated by means of the various remuneration items established in their contracts.

Furthermore, certain directors of FCC accrued remuneration through their membership of the Board of other group companies (Cementos Portland Valderrivas, S.A.)

D DETAIL OF THE INDIVIDUAL REMUNERATION ACCRUED BY EACH OF THE DIRECTORS

Name	Type	Accrual period: 2013 financial year
E.A.C. INVERSIONES CORPORATIVAS, S.L.	Proprietary	From 01/01/2013 to 31/12/2013.
LARRANZA XXI, S.L.	Proprietary	From 01/01/2013 to 31/12/2013.
FELIPE BERNABÉ GARCÍA PÉREZ	Executive	From 01/01/2013 to 31/12/2013.
HENRI PROGLIO	Independent	From 01/01/2013 to 31/12/2013.
B 1998, S.L.	Proprietary	From 01/01/2013 to 31/12/2013.
DOMINUM DESGA, S.A.	Proprietary	From 01/01/2013 to 31/12/2013.
GONZALO ANES Y ÁLVAREZ DE CASTRILLÓN	Independent	From 01/01/2013 to 31/12/2013.
JUAN CASTELLS MASANA	Proprietary	From 01/01/2013 to 02/08/2013.
FERNANDO FALCÓ Y FERNÁNDEZ DE CÓRDOVA	Proprietary	From 01/01/2013 to 31/12/2013.
RAFAEL MONTES SÁNCHEZ	Proprietary	From 01/01/2013 to 31/12/2013.
MARCELINO OREJA AGUIRRE	Proprietary	From 01/01/2013 to 31/12/2013.
CÉSAR ORTEGA GÓMEZ	Independent	From 01/01/2013 to 31/12/2013.
ANTONIO PÉREZ COLMENERO	Proprietary	From 01/01/2013 to 18/07/2013.
NICOLÁS REDONDO TERREROS	Independent	From 01/01/2013 to 16/07/2013.
JAVIER RIBAS	Independent	From 01/01/2013 to 11/07/2013.
CARTERA DEVA, S.A.	Proprietary	From 01/01/2013 to 31/12/2013.
DOMINUM DIRECCIÓN Y GESTIÓN, S.L.	Proprietary	From 01/01/2013 to 31/12/2013.
OLIVIER ORSINI	Independent	From 18/07/2013 to 31/12/2013.
GONZALO RODRIGUEZ MOURULLO	Independent	From 18/07/2013 to 31/12/2013.
GUSTAVO VILLAPALOS SALAS	Independent	From 18/07/2013 to 31/12/2013.
CLAUDE SERRA	Proprietary	From 19/12/2013 to 31/12/2013.
JUAN BEJAR OCHOA	Executive	From 31/01/2013 to 31/12/2013.

D.1 Complete the following tables with regard to the individual remuneration of each of the Directors (including the remuneration for performing executive functions) accruing during the financial year.

a) Remuneration accruing at the Company forming the object of this report:

i) Remuneration in cash (in thousands of €)

Name	Salaries	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board Committees	Compensation payments	Other items	2013 yearly total	2012 yearly total
DOMINUM DESGA, S.A.	0	0	71	0	0	0	0	0	71	65
JUAN BEJAR OCHOA	2,500	0	46	0	0	0	0	4	2,550	0
B 1998, S.L.	0	0	30	0	0	0	0	0	30	25
E.A.C. INVERSIONES CORPORATIVAS, S.L.	0	0	63	0	0	0	0	0	63	58
FERNANDO FALCÓ Y FERNÁNDEZ DE CÓRDOVA	0	0	70	0	0	0	0	0	70	68
RAFAEL MONTES SÁNCHEZ	0	0	49	0	0	0	0	0	49	40
GONZALO ANES Y ÁLVAREZ DE CASTRILLÓN	0	0	64	0	0	0	0	0	64	53
MARCELINO OREJA AGUIRRE	0	0	30	0	0	0	0	0	30	28
JUAN CASTELLS MASANA	0	0	53	0	0	0	0	0	53	70
CARTERA DEVA, S.A.	0	0	59	0	0	0	0	0	59	58
JAVIER RIBAS	0	0	18	0	0	0	0	0	18	28
CÉSAR ORTEGA GÓMEZ	0	0	15	0	0	0	0	0	15	28
HENRI PROGLIO	0	0	28	0	0	0	0	0	28	8
OLIVIER ORSINI	0	0	9	0	0	0	0	0	9	0
GONZALO RODRIGUEZ MOURULLO	0	0	13	0	0	0	0	0	13	0
GUSTAVO VILLAPALOS SALAS	0	0	23	0	0	0	0	0	23	0
CLAUDE SERRA	0	0	0	0	0	0	0	0	0	0

Name	Salaries	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board Committees	Compensation payments	Other items	2013 yearly total	2012 yearly total
DOMINUM DIRECCIÓN Y GESTIÓN, S.L.	0	0	31	0	0	0	0	0	31	10
LARRANZA XXI, S.L.	0	0	32	0	0	0	0	0	32	23
ANTONIO PÉREZ COLMENERO	0	0	30	0	0	0	0	0	30	41
NICOLÁS REDONDO TERREROS	0	0	17	0	0	0	0	0	17	28
FELIPE BERNABÉ GARCÍA PÉREZ	445	0	32	0	0	0	0	2	479	474

ii) Stock-based remuneration systems

FELIPE BERNABÉ GARCÍA PÉREZ
PLAN 2

Date of Implementation	Options held at the start of FY 2013				Options signed during FY 2013						
	No. of Options	Shares affected	Strike price (€)	Exercise period	No. of Options	Shares affected	Strike price (€)	Exercise period			
29/07/2008	12,500	12,500	24.17	6-02-2012 TO 5-02-2014	0	0	0.00	0			
Conditions: 0											
Shares handed over during FY 2013			Options exercised during FY 2013			Options expiring and not exercised	Options at end of year 2013				
No. of Shares	Price	Amount	Strike price (€)	No. of Options	Shares affected	Gross profit (m€)	No. of Options	No. of Options	Shares affected	Strike Price (€)	Exercise period
0	0.00	0	0.00	0	0	0	0	0	0	0.00	0
Other requirements for the financial year: 0											

FELIPE BERNABÉ GARCÍA PÉREZ
PLAN 1

Date of Implementation	Options held at the start of FY 2013				Options signed during FY 2013						
	No. of Options	Shares affected	Strike price (€)	Exercise period	No. of Options	Shares affected	Strike price (€)	Exercise period			
29/07/2008	60,000	60,000	34.22	1-10-2011 A 1-10-2013	0	0	0.00	0			
Conditions: 0											
Shares handed over during FY 2013			Options exercised during FY 2013			Options expiring and not exercised	Options at end of year 2013				
No. of Shares	Price	Amount	Strike price (€)	No. of Options	Shares affected	Gross profit (m€)	No. of Options	No. of Options	Shares affected	Strike Price (€)	Exercise period
0	0.00	0	0.00	0	0	0	60.000	0	0	0.00	0
Other requirements for the financial year: 0											

iii) Long-term savings systems

Name	Contribution made by the Company during the financial year (thousands of €)		Amount of the accumulated funds (thousands of €)	
	FY 2013	FY 2012	FY 2013	FY 2012
FELIPE BERNABÉ GARCÍA PÉREZ	0	0	2,830	2,830

b) Remuneration accruing to Directors of the Company for membership of the boards of other group companies:

i) Remuneration in cash (in thousands of €)

Name	Salaries	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board Committees	Compensation payments	Other items	2013 yearly total	2012 yearly total
E.A.C. INVERSIONES CORPORATIVAS, S.L.	0	0	29	0	0	0	0	0	29	40
RAFAEL MONTES SÁNCHEZ	0	0	20	0	0	0	0	0	20	26
GUSTAVO VILLAPALOS SALAS	0	0	26	0	0	0	0	0	26	31
JUAN CASTELLS MASANA	0	0	21	0	0	0	0	0	21	40
CARTERA DEVA, S.A.	0	0	16	0	0	0	0	0	16	24
OLIVIER ORSINI	0	0	2	0	0	0	0	0	2	0
JUAN BEJAR OCHOA	0	0	16	0	0	0	0	0	16	683

ii) Stock-based remuneration systems

iii) Long-term savings systems

c) Summary of remuneration (in thousands of €):

The summary must include the amounts corresponding to all remuneration items included within this report and accrued by the Director, in thousands of Euros.

In the case of Long-term Savings Systems, the contributions or endowments made to this type of system should be included:

Name	Remuneration accrued at the Company				Remuneration accrued at group companies				Totals		
	Total remuneration in cash	Amount of the shares granted	Gross profit of the options exercised	Company total, 2013 financial year	Total remuneration in cash	Amount of the shares granted	Gross profit of the options exercised	Total for 2013 financial year (group)	Total for 2013 financial year	Total for 2012 financial year	Contribution to savings systems during the financial year
DOMINUM DESGA, S.A.	71	0	0	71	0	0	0	0	71	65	0
JUAN BEJAR OCHOA	2,550	0	0	2,550	16	0	0	16	2,566	686	0
B 1998, S.L.	30	0	0	30	0	0	0	0	30	25	0
DOMINUM DIRECCIÓN Y GESTIÓN, S.L.	31	0	0	31	0	0	0	0	31	10	0
E.A.C. INVERSIONES CORPORATIVAS, S.L.	63	0	0	63	29	0	0	29	92	98	0
FERNANDO FALCÓ Y FERNÁNDEZ DE CÓRDOVA	70	0	0	70	0	0	0	0	70	68	0
RAFAEL MONTES SÁNCHEZ	49	0	0	49	20	0	0	20	69	66	0
GONZALO ANES Y ÁLVAREZ DE CASTRILLÓN	64	0	0	64	0	0	0	0	64	53	0
MARCELINO OREJA AGUIRRE	30	0	0	30	0	0	0	0	30	28	0
JUAN CASTELLS MASANA	53	0	0	53	21	0	0	21	74	110	0
FELIPE BERNABÉ GARCÍA PÉREZ	479	0	0	479	0	0	0	0	479	474	0
CARTERA DEVA, S.A.	59	0	0	59	16	0	0	16	75	82	0
LARRANZA XXI, S.L.	32	0	0	32	0	0	0	0	32	23	0
ANTONIO PÉREZ COLMENERO	30	0	0	30	0	0	0	0	30	41	0
JAVIER RIBAS	18	0	0	18	0	0	0	0	18	28	0
CÉSAR ORTEGA GÓMEZ	15	0	0	15	0	0	0	0	15	28	0

Name	Remuneration accrued at the Company				Remuneration accrued at group companies				Totals		
	Total remuneration in cash	Amount of the shares granted	Gross profit of the options exercised	Company total, 2013 financial year	Total remuneration in cash	Amount of the shares granted	Gross profit of the options exercised	Total for 2013 financial year (group)	Total for 2013 financial year	Total for 2012 financial year	Contribution to savings systems during the financial year
HENRI PROGLIO	28	0	0	28	0	0	0	0	28	8	0
NICOLÁS REDONDO TERREROS	17	0	0	17	0	0	0	0	17	28	0
OLIVIER ORSINI	9	0	0	9	2	0	0	2	11	0	0
GONZALO RODRIGUEZ MOURULLO	13	0	0	13	0	0	0	0	13	0	0
CLAUDE SERRA	0	0	0	0	0	0	0	0	0	0	0
GUSTAVO VILLAPALOS SALAS	23	0	0	23	26	0	0	26	49	31	0
TOTAL	3,734	0	0	3,734	130	0	0	130	3,864	1,952	0

D.2 Report on the relationship between the remuneration obtained by the Directors and results or other measurements of the entity's performance, explaining where relevant how variations in the performance of the Company could have influenced the variation in the remuneration of the Directors.

The remuneration of the Company's Directors comprises a share in the liquid profits, and their remuneration is thus directly tied to the entity's results. In this regard, the results for the 2012 financial year, approved at the Ordinary General Shareholders' Meeting in 2013, was a loss, and therefore no remuneration was paid to the Directors as there were no profits, notwithstanding the remuneration of the Directors for their effective attendance at meetings of the Board and its internal committees.

The Executive Directors were likewise remunerated in accordance with the various remuneration items established in their contracts.

D.3 Report on the result of the consultative vote at the General Meeting on the annual remuneration report for the previous financial year, indicating the number of any votes cast against:

	Number	% of total
Votes cast	81,453,076	63.98%

	Number	% of total
Votes against	1,483,003	1.82%
Votes in favour	79,968,670	98.17%
Abstentions	1,403	0.00%

E OTHER INFORMATION OF RELEVANCE

If there is any other relevant aspect regarding the remuneration of Directors not covered by the other sections of this report, but which requires inclusion in order to set out the fullest and most clearly reasoned information regarding the remuneration practices and structure of the Company with regard to its Directors, give brief details thereof.

D.1. A. i) On 31 January 2013 Mr. Baldomero Falcones Jaquotot left the Company. Mr. Falcones received 7,500 thousand Euros, the figure corresponding to the compensation agreed by the Company with the previous Managing Director for the premature termination of his contract.

This annual remuneration report was approved by the Board of Directors of the Company at its meeting held on 31/03/2014.

Indicate whether any Directors voted against or abstained with regard to the approval of this Report.

Yes ☐

No ☒