



**RULES OF THE BOARD OF
DIRECTORS
OF FOMENTO DE CONSTRUCCIONES Y
CONTRATAS, S.A. (FCC)**
(Consolidated text following the amendments of 28 July 2016)

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CHAPTER I. INTRODUCTION

Article 1. Purpose

The purpose of these Rules is to establish a set of guidelines for the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereinafter referred to as the "**Company**" or "**FCC**"), the basic rules of its organisation and operation and a code of conduct for its members in order to reach the highest level of efficacy and transparency.

Article 2. Scope of Application and dissemination.

1. These Rules apply both to the Company's Board of Directors and to its delegate bodies and internal Committees, and to their members and, where appropriate, to the senior executives of the Company and its Group.

For the purposes of these Rules, the FCC Group is understood to comprise those companies in which FCC, directly or indirectly, owns more than 50% (fifty per cent) of capital stock or where, even if it does not exceed that percentage, it directly or indirectly controls management.

2. The persons to whom these Rules apply, particularly the directors and senior executives of the Company and, where appropriate, of its Group, are obliged to know and comply with these Rules and to ensure that others comply with them; it is the duty of the Secretary of the Board of FCC to deliver a copy to each one of them.

For the purposes of these Rules, senior executives of the Company are those who report directly to the Board or the Company's first executive and, in any case, include the internal auditor. Persons not meeting the foregoing conditions who are nonetheless declared by the Board of Directors to be Senior Executives, following a favourable report by the Nominations and Remuneration Committee, will be classified as such.

3. The Board of Directors will take steps to ensure that these Rules are made known to shareholders and the investment community in general so as to make them aware of the commitments assumed by the Board members and Senior Executives of FCC. To this end, the full contents of these Rules will be reported to the National Securities Market Commission (CNMV) and registered in the Mercantile Register and will also be available on the FCC web site.

Article 3. Interpretation

These Rules complete the regulations applicable to the Board of Directors established in the mercantile legislation in force and in the Articles of Incorporation of FCC and should be interpreted in conformity with the general criteria for interpreting regulations, having regard fundamentally to the spirit and purpose of the Rules, the Board itself having the authority to clarify the contents. In the event of a discrepancy between the provisions of these Rules and those in the Articles of Incorporation, those of the Articles of Incorporation shall always prevail.

Article 4. Amendment

1. The Board of Directors may amend these Rules in accordance with the requirements contained in this Article.
2. The Chairman of the Board, the Managing Director, one-third of the Board members or a majority of the members of the Audit and Control Committee may request amendments to these Rules when, in their opinion, there are circumstances which make such changes necessary or advisable. Amendment proposals must be accompanied by a report describing the reason for, and scope of, the proposed amendment.
3. The Audit and Control Committee must be consulted on any proposed amendment.
4. The text of the proposed amendment, the report justifying it and the report of the Audit and Control Committee must be appended to the announcement of the Board meeting in which the amendment will be debated.
5. The announcement must be made with the advance notice and in accordance with the other rules set out in the Articles of Incorporation and these Rules.
6. In order to be valid, any amendment to these Rules must be approved by at least an absolute majority of the members of the Board, rounding up any fractions.

CHAPTER II. COMPOSITION. POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS

Article 5. Quantitative composition

The Board of Directors shall consist of fifteen (15) members.

Article 6. Qualitative composition. Categories of Directors

1. Persons appointed as Board members must meet not only the requirements stipulated by law and by the Articles of Incorporation but also those set out in these

Rules and, upon taking up office, must make a formal commitment to fulfil the obligations and duties envisaged herein. Without prejudice to the right of proportional representation corresponding to the shareholders, the Board of Directors shall consist of at least three independent directors and eight proprietary directors

2. Directors shall be classified as executive and non-executive; these in turn shall be distinguished as proprietary, independent or other external members, pursuant to the provisions of legal requirements in this regard:
 - a) Independent directors: those appointed for their personal or professional qualities who are in a position to perform their duties without being influenced by any connection with the Company or its Group, its shareholders or its management.

Under no circumstances may any person concerned by any of the following events be appointed as an Independent director:

- (i) Past employees or executive directors of FCC Group companies, unless three (3) or five (5) years have elapsed, respectively, from the end of the relation.
- (ii) Those who have received some payment or other form of compensation from the Company or its Group in addition to their Directors' fees, unless the amount involved is not material for the Director.

Dividends or pension supplements received by a director for prior employment or professional services shall not count for the purposes of this section, provided such supplements are non contingent, i.e. the FCC or the Group company that paid them has no discretionary power to suspend, modify or revoke their payment, and by doing so would be in breach of its obligations.

- (iii) Partners, now or on the past three (3) years, in the external auditor or the firm responsible for the audit report, during that period, of FCC or any other within its Group.
- (iv) Executive directors or senior officers of another company where an executive director or senior officer of the FCC Group is an external director.
- (v) Those having material business dealings with FCC or another company in its group or who have had such dealings in the preceding year, either on their own account or as a significant shareholder, director or senior officer of a company that has or has had such dealings.

Business dealings will include the provision of goods or services, including financial services, as well as advisory or consultancy relationships.

- (vi) Significant shareholders, executive directors or senior officers of an entity that receives donations from FCC or another company in its Group, or has done so in the past three (3) years.

This section will not apply to those who are merely trustees of a foundation receiving donations.

- (vii) Spouses, or partners maintaining an analogous affective relationship, or close relatives of one of the company's executive directors or senior officers.
- (viii) Any person not proposed for appointment or renewal by the Nomination and Remuneration Committee.
- (ix) Past Directors over a continuous period of more than twelve (12) years.
- (x) Those standing in any of the situations listed in sections (i), (v), (vi) or (vii) above in relation to a significant shareholder or a shareholder with board representation. In the case of the family relations set out in item (vii), the limitation shall apply in connection not only with the shareholder but also with his or her proprietary directors in the investee company.

Proprietary directors disqualified as such and obliged to resign due to the disposal of shares by the shareholder they represent may only be re-elected as independents once that shareholder has sold all remaining shares in FCC.

A Director with shares in FCC may qualify as independent provided he or she meets all the conditions stated in this item and the holding in question is not significant.

b) Proprietary directors:

- (i) directors who own an equity stake above or equal to the legally determined threshold for significant holdings, or otherwise appointed due to their status as shareholders, and
- (ii) those representing the shareholders stated in section (i) above.

c) Executive directors: those who undertake management roles in FCC or its Group, regardless of the legal relationship between the two. However, any Directors that are senior executives or Directors of companies belonging to the group of the parent entity of the Company shall have the capacity of Proprietary directors in the latter.

When a Director undertakes a management role and, at the same time, is or represents a significant shareholder or is represented on the Board of Directors of FCC, they are classified as executives.

- d) Other directors, i.e. those non-executive directors that cannot be classified as either proprietary or independent; this circumstance and any connections between such directors and the Company, its executives or shareholders must be explained in the Annual Corporate Governance Report.
3. The nature of each director should be explained to the General Meeting of Shareholders which will make or ratify his or her appointment. Such determination should subsequently be confirmed or reviewed in each year's Annual Corporate Governance Report, after verification by the Nomination and Remuneration Committee; also, with respect to external directors that cannot be classified as either proprietary or independent, the reasons for this circumstance must be disclosed along with their connections with the Company or its executives or with its shareholders. The Annual Corporate Government Report should also disclose the reasons for the appointment of proprietary directors at the behest of shareholders controlling less than the percentage legally classified as significant and shall explain any rejection of a formal request for a board seat from shareholders whose equity stake is equal to or greater than that of others who succeeded in appointing a proprietary director.
 4. The Board of Directors shall guarantee that the procedures used to select its members favour gender diversity, experience and knowledge, and are not implicitly biased to the extent that discrimination of any kind is engendered and, in particular, facilitate the selection of female Directors.
 5. The Board of Directors shall particularly include at least three independent directors who shall be elected by the General Meeting based on the criteria of rigorous professionalism and full independence, after a proposal for election has been put forward by the Appointments and Remuneration Committee and, successively, after a proposal has been made to the same by a firm of recognised standing which is responsible for selecting directors of listed companies; this firm shall act in the selection process according to the director profile being sought by the Company and with a view to meeting the requirements of professionalism and independence that are accordingly established both under law and by the practice of good corporate governance. The selected candidates shall be proposed to the Board of Directors which, in turn, shall propose them to the General Shareholders' Meeting unless vacancies are directly covered by co-optation.

Article 7. Powers of the Board of Directors. Powers that may not be delegated

1. The Board of Directors is competent to make decisions about any matter not attributed by Law or the Articles to the General Meeting; it has the highest powers and faculties to manage, direct, administer and represent the Company, focusing

fundamentally on overseeing the day-to-day management of the Company that is entrusted to the executive directors and senior managers, and on all matters of particular importance to the Company.

2. In any event, through the passage of resolutions which must be approved in each case as stipulated by law and the Articles of Incorporation, the plenary Board of Directors has exclusive powers over the following formal list of matters, which may not be delegated:
 - a) The appointment and removal of the Chairman, Vice-Chairman, Secretary and Vice-Secretary of the Board of Directors, the appointment and removal of the Managing Director of the Company and the establishment of the conditions of his/her contract, and, at the proposal of the Managing Director, the appointment, removal and, as applicable, indemnity clauses of the senior officials of the functional areas of the Company (Administration, Finance, Human Resources and the General-Secretariat) of the members of the Management Committee and, in general, the Senior Executives of the Company, and the establishment of the basic conditions of their contracts, including their remuneration.
 - b) Propose to respective Boards of Directors, at the initiative of the Managing Director and through the Company's representatives, the appointment, removal and, when appropriate, indemnity clauses of the Chairmen and General Managers of the parent companies of FCC Group, acting in this connection in pursuit of the corporate interest of each of them.
 - c) Delegating faculties to any of the members of the Board of Directors in the terms established by law and the Articles of Incorporation, and revoking such powers.
 - d) Appointment and removal of Board members as members of the various Committees envisaged in these Rules.
 - e) Oversee the effective functioning of any Delegated Internal Committees that the Board has set up and the performance of the delegate committees and any executives that have been appointed.
 - f) Appointing Board members by co-option to fill vacancies that arise, until the next General Meeting is held.
 - g) Accepting the resignation of Board members.
 - h) Producing financial statements and submitting them to the General Meeting.
 - i) Convening the General Meeting, establishing the agenda and proposing resolutions.

- j) Drafting all manner of reports which the Board of Directors is required to produce under Law, provided the transaction to which the report relates cannot be delegated.
- k) Authorising the dividend policy for submission and proposal to the General Meeting, and declaring any interim dividends.
- l) Authorising the own securities policy, while particularly setting out any limits to the same.
- m) Defining the structure of the Group of which the Company is the parent entity and coordinating, within the legal limits, the Group's general strategy in the interests of the Company and its subsidiaries with the support of the Strategy Committee and, where appropriate, the Managing Director, and disclosing in the Annual Corporate Governance Report the respective areas of activity and any business relations between the Company and its listed subsidiaries that are part of the group, and between those companies and the other Group companies, and the mechanisms established to resolve any conflicts of interest that may arise.
- n) Approving the investments and financing policy and any investments, disinvestments, credit lines, loans, surety or guarantee lines, and other financial facilities within the limits that the Board of Directors itself establishes as well as investments and any other type of transactions which, in view of their high amount or specific circumstances, are deemed to be strategic or represent a special tax risk, unless the General Meeting is responsible for approving them.
- o) The organising and functioning powers of the Board or Directors, particularly the power to approve and amend these Rules.
- p) The powers vested in the Board of Directors by the General Meeting, which may only be delegated with the express consent of the General Meeting.

Article 8. *General Functions Equilibrium in the performance of functions*

1. The Board of Directors is responsible for performing such acts as may be necessary to attain the corporate purpose set forth in the Articles of Incorporation, in accordance with the applicable laws.
2. Delegation by the Board of powers to any of its members within the limits allowed by the law does not deprive the Board of those powers.
3. Under no circumstances may the following powers of the plenary Board of Directors be delegated:
 - a) Coordinating the performance of business by the FCC Group in the interests of the Company and its subsidiaries.
 - b) Approving the general policies and strategies of the Company, particularly the strategic business plan and any management objectives and annual budgets, the

corporate governance policy of the Company and its Group, the corporate social responsibility policy and the establishment of the tax strategy of the Company.

- c) The risk management and control policy, including those related to tax, by identifying the main risks to the Company and implementing and monitoring appropriate internal control and information systems, with a view to ensuring its future viability and competitiveness, while adopting the most important decisions for its improved development and overseeing the internal information and control systems.
- d) Approving the authorisation or exemption from any obligations arising from the duty to act in good faith pursuant to legal provisions.
- e) Approving the internal Rules or Codes of conduct of FCC and, to the extent that it is legally necessary, its subsidiaries.
- f) Determining the policies governing information and communication with shareholders, the markets and public opinion, ensuring the quality of the information provided, approving the financial information that the Company must disclose periodically by virtue of being listed.
- g) Approving any decisions relating to Directors' remuneration, according to the Articles of Incorporation and the remuneration policy approved by the General Meeting.
- h) Approving the remuneration policy for the Company's senior executives and members of the Company's Management Committee, and evaluating their performance.
- i) The creation or acquisition of shares in special purpose vehicles or entities resident in countries or territories considered tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the Company and its Group.
- j) Based on a prior report of the Appointments and Remuneration Committee, approving any transactions that the Company or companies of its Group carry out with Directors or significant shareholders, under the terms established by Law and these Rules.

The powers referred to in items k), m) and n) of article 7.2 above, and items b), c), f), i) and j) of this article, may be exercised for reasons of urgency, duly justified by the Executive Committee and the Managing Director; they must be ratified at the first Board meeting held after the decision is adopted and after the Executive Committee and/or the Managing Director has been informed of the case and circumstances which led to the urgency and the measures adopted.

4. The Board of Directors will perform its function based on the principle of equilibrium between powers and responsibilities. The Board members and Committees to which the Board delegates are also subject to this principle of equilibrium.
5. The Board of Directors will establish such mechanisms as may be appropriate, suitable or necessary to supervise the decisions adopted by any of its members or Committees.

Article 9. *Representative Functions*

1. The Board of Directors is the representative of F.C.C. in the terms established by law and in the Articles of Incorporation.
2. The Committees and members of the Board vested with representation powers must keep the Board informed at all times of any and all actions they take in the exercise of such powers which go beyond ordinary administration.

Article 10. *Specific Functions in connection with the Financial Statements and Directors' Report*

1. The Board of Directors must authorise the Financial Statements and the Directors' Report, for both the parent company and the consolidated group, so as to provide a true and fair view of the equity, financial situation and results of FCC, as provided for under the law, based on a prior report by the Audit and Control Committee. Those Financial Statements must first be certified for their integrity and accuracy by the Chief Financial Officer and countersigned by the Managing Director.
2. After examining those reports, the Board of Directors may ask the drafters for any additional clarifications that it considers to be necessary.
3. In particular, the Board of Directors will ensure that those accounting documents are written in clear and precise terms that facilitate understanding of their contents. In particular, they must include any comments that facilitate such understanding.
4. All members of the Board of Directors must certify that, before signing the authorisation of the Financial Statements, as required by law, they have had access to the report of the Audit and Control Committee on the Financial Statements and, generally, to any other information that may be necessary for authorisation, and they may place on record any comments they deem appropriate.
5. The Board will monitor the evolution of the Company's accounts on a quarterly basis, following a report of the Audit and Control Committee.

Article 11. *Specific Functions relating to the Securities Market*

1. The Board of Directors will perform any functions inherent to the fact that the company is listed on the stock market.

2. In particular, the Board will perform the following specific functions in relation to the securities market, in the manner set out in these Rules:
 - a) The performance of all acts and the adoption of such measures as may be necessary to ensure the transparency of FCC vis-à-vis the financial markets.
 - b) The performance of such acts and the adoption of such measures as may be necessary to promote proper discovery of the price of FCC shares, avoiding manipulation and the abuse of inside information, in particular.
 - c) Approval and updating of the Internal Code of Conduct on matters related to the stock market.
 - d) Approving the Annual Corporate Governance Report and drafting the annual report on director remuneration under the terms established under Law.

CHAPTER III. RELATIONS OF THE BOARD OF DIRECTORS

Article 12. Relations with shareholders

The Board of Directors will encourage communications between F.C.C. and its shareholders. Accordingly, it will foster informative meetings between Directors and/or senior executives and institutional shareholders to discuss the progress of the F.C.C. Group. Under no circumstances may such meetings involve providing any information which could put such shareholders in a privileged situation with respect to the other shareholders.

Article 13. Information to shareholders in relation to General Meetings.

1. Prior to each General Meeting of Shareholders, the Board of Directors will make available to shareholders all the information required by law and, through the Stock Market and Investor Relations Department or any other that takes its place, will answer in writing any questions or requests for information or clarification raised by the shareholders in relation to the items on the agenda, up to the fifth day before the scheduled meeting date; it will also respond to questions and requests for information or clarification raised in relation to the information accessible to the public which has been filed with the National Securities Market Commission (CNMV) and with respect to the auditors' report. since the last General Meeting. The information referred to in this paragraph will be provided in writing to the shareholders who request it up to the day of the General Meeting in question.

The Chairman or, by delegation from the Chairman, the Managing Director, a director, the Board Secretary or a Senior Executive of the Company who is present in the Meeting, will, on the Chairman's instructions, answer the requests for information raised in connection with the items agenda referred to in the preceding paragraph by shareholders verbally during the General Meeting itself or in writing in

the five calendar days prior to the date scheduled for the General Meeting. If the shareholders' right to information cannot be fulfilled at that time, the Board of Directors, through the Stock Market and Investor Relations Department or any other that takes its place, will provide the requested information in writing within seven (7) days following the conclusion of the Meeting. All within the limits established by the legislation in force.

2. The Board of Directors will take the necessary measures to enable the General Meeting of Shareholders to efficiently discharge its duties under the law and the Articles of Incorporation.

Article 14. *Relations with the Markets I.*

1. The Board of Directors will take the necessary measures to inform the public immediately, by filing with the National Securities Market Commission (CNMV) and simultaneously posting on the FCC website, of:
 - a) Any significant events capable of having a significant influence on the formation of the market price of FCC shares.
 - b) Changes that have a significant effect on the ownership structure of FCC.
 - c) Substantial changes to the FCC rules of governance, which currently comprise the Articles of Incorporation, the Rules of the General Meeting, the Rules of the Board of Directors, the FCC Group Code of Ethics and the Internal Code of Conduct in connection with the Securities Market.
 - d) Transactions with own securities as required by law.
2. The Board of Directors will adopt the necessary measures to ensure that the periodical financial information and any other information that is made available to the markets is prepared according to the same principles, standards and professional practices as the financial statements and is equally reliable.

Article 15. *Relations with Auditors*

1. Relations with the external auditors of FCC will be channelled via the Audit and Control Committee, as envisaged in the Articles of Incorporation and these Rules.
2. The Board of Directors may not engage audit firms where the fees foreseeably to be paid by the Company and the companies in its Group under any heading exceed ten percent (10%) of that audit firm's revenues in Spain in the immediately preceding fiscal year.
3. The Board of Directors should seek to present the annual accounts to the General Shareholders' Meeting without qualifications or reservations in the audit report, and, exceptionally, should such reservations or qualifications exist, both the Chairman of the Audit Committee and the auditors should give a clear account to shareholders of the scope and content of such reservations or qualifications.

CHAPTER IV. APPOINTMENT AND REMOVAL OF DIRECTORS

Article 16. Appointment, ratification or re-election of directors

1. Proposals for the appointment or re-election of directors submitted by the Board of Directors to the General Meeting of Shareholders for its consideration, and the appointments made by the Board using the powers of co-optation attributed to it by law must fall upon people of recognised integrity, fitness, technical competence and experience, and must be approved by the Board based on a proposal from the Appointments and Remuneration Committee, in the case of independent directors, and based on a prior report of the Appointments and Remuneration Committee, in the case of other Directors.
2. The proposal shall be accompanied in all cases by a justifying report of the Board which assesses the competence, experience and merits of the proposed candidate; it shall be attached to the minutes of the General Meeting or the particular Board meeting.
3. Where a legal person is appointed as a Director, it must appoint a natural person to discharge the duties of the office on a permanent basis; that natural person must fulfil the requirements as to integrity, fitness, technical competence and experience and the rules on prohibitions and incompatibilities contained in these Rules, and the duties of Director established in these Rules shall apply to him/her on a personal basis. Removal of the representative by the legal person that is a director shall not take effect until their replacement is appointed. Furthermore, the proposal of the natural person representative shall be subject to the report of the Appointments and Remuneration Committee.
4. From the publication of the notice of the General Meeting, the Board of Directors must publish, on the website, the following information about the persons proposed for appointment or ratification as directors and, where appropriate, about the natural person representative of the legal person Director:
 - (i) professional experience and background;
 - (ii) directorships held in other companies, listed or otherwise;
 - (iii) an indication of the director's classification; in the case of proprietary directors, the shareholder they represent or have links with must be identified;
 - (iv) the date of their first and subsequent appointments as a company director;

- (v) shares of the Company and financial derivatives whose underlying are shares of the Company that are owned by the director proposed for ratification or re-appointment or by the candidate for first-time appointment as director. That information must be kept up to date; and
 - (vi) the reports and proposals of the competent bodies in each case.
5. The Secretary of the Board of Directors will provide each new director with a copy of the Articles of Incorporation, these Rules, the FCC Group Code of Ethics, the Internal Code of Conduct in relation to the Securities Market, the latest annual Financial Statements and Directors' Report, of both the Company and its consolidated Group, as approved by the General Meeting of Shareholders, the auditors' report on the Financial Statements and the latest financial information provided to the markets. It will also provide them with the names of the current auditors and their interlocutors.
 6. Each director must sign a receipt for the documentation and undertake to take cognizance of it immediately and to faithfully fulfil his obligations as a director.
 7. The Company will establish induction programmes to provide newly-appointed directors rapidly with sufficient knowledge of the Company and its Group and the corporate governance rules, while also offering refresher courses when circumstances make this advisable.

Article 17. Term of office

1. Directors will hold office for the term established in the Articles of Incorporation.
2. The directors appointed by co-optation will hold office until the next General Meeting is held. Furthermore, if the vacancy arises after the General Meeting has been convened but before it has been held, the Board of Directors may appoint a Director up to the time when the next General Meeting is held.
3. Directors whose mandates expire or who cease to sit on the Board for any reason may not render services to FCC competitors for two (2) years.
4. The Board of Directors, at its discretion, may waive or reduce this limitation for outgoing directors.

Article 18. Re-appointment of Directors.

As well as complying with the requirements established in relation to the appointment in article 16 above, prior to proposing the re-appointment of any director to the General Meeting of Shareholders, the Appointments and Remuneration Committee must issue a report evaluating the quality of work and dedication of the proposed directors during their previous mandate.

Article 19. Removal of Directors

1. Directors must step down from the Board when their mandates have expired or when so decided by the General Meeting of Shareholders making use of the powers vested in it by law and by the Articles of Incorporation.
2. The directors must tender their resignation to the Board of Directors and officially resign at the Board's request in the following cases:
 - a) In the case of executive directors, when they no longer occupy the positions or perform the functions by virtue of which they were appointed.
 - b) In the case of proprietary directors, when the shareholder whose interests they represent disposes of its holding in FCC or reduces it to such a level that its number of proprietary directors must be reduced.
 - c) When they fall under a situation of incompatibility or legal disqualification.
 - d) When the Board, by a two-thirds (2/3) majority, asks the director to resign:
 - if he or she receives a severe reprimand from the Board due to breach of his or her duties as director, based on a proposal or report by the Appointments, Remuneration and Corporate Governance Committee, or
 - when their permanence on the Board may jeopardise the Company's credibility and reputation. In this regard, the Directors must inform the Board of any criminal charges against them and any subsequent events during trials. In any event, if any director is tried for any of the corporate crimes described in article 213 of the Capital Companies Act, the Board will examine the case as soon as possible and, based on the specific circumstances, will decide whether or not the director must resign, and it must give a justification in the Annual Corporate Governance Report.
3. If a natural person representing a legal person Director is concerned by any of the events listed in the previous section, the former shall be disqualified from exercising said representation.
4. 3.The Board of Directors may not propose the removal of independent directors before the expiry of their tenure as mandated by the Articles, except where just cause is found by the Board, based on a report from the Nomination and Remuneration Committee. In particular, just cause will be presumed when a Director is in breach of his or her fiduciary duties or comes under one of the grounds enumerated in article 6.2.a) of these rules that disqualify from appointment as an independent director.

The removal of independents may also be proposed when a takeover bid, merger or similar corporate operation produces changes in the Company's capital structure due to the proportionality between the number of proprietary directors and independent directors in relation to the capital represented by the proprietary directors and the rest of the capital.

5. When a director steps down either due to resignation or otherwise, he or she must set out the reasons in a letter to be sent to all other members of the Board, and his or her removal and the reasons must be disclosed in the Annual Corporate Governance Report. In particular, where the director resigns due to the adoption by the Board of significant or repeated decisions to which the director has placed serious objections on record, and decides to resign as a result, the resignation letter to the other directors must expressly state this fact.

CHAPTER V. DIRECTORS' DUTIES

Article 20. General obligations of Directors

1. The directors must comply with the obligations imposed by law and the Articles of Incorporation, and the Company's Rules (Rules of the General Meeting of Shareholders, Rules of the Board of Directors, Code of Ethics and Internal Code of Conduct), and be loyal to the interests of the Company, and respect the principle of treating all shareholders equally, discharging their duties with singleness of purpose and independence.

A director's function is to direct and oversee the management of FCC so as to maximise value in a sustained way to the benefit of all shareholders. Directors must also ensure that their relations with any party having a direct or indirect interest in the Company comply with the law and regulations, that obligations and contracts are fulfilled in good faith, that customs and practices in the industries and territories where the business is carried on are complied with, and that any additional principles of social responsibility that the Company has adopted voluntarily are fulfilled.

2. In discharging their duties, directors must act with the diligence of an orderly entrepreneur and the loyalty of a faithful representative, in good faith and in the best interest of the Company.

Article 21. Duty of diligence

1. Directors must undertake their role and comply with the duties imposed by Law and Articles of Incorporation with the diligence of an orderly entrepreneur, while taking into account of the nature of the role and the functions attributed to each of them.
2. Directors must act with suitable dedication and shall adopt specific measures for the effective management and control of the Company. In particular, the duty of diligence requires Directors to:
 - a) Keep themselves informed and prepare for Board meetings and meetings of the delegate committees of which they are members. to this end, they must gather the appropriate information they require to fulfil their legal obligations.

- b) Attend the meetings of the committees of which they are members and participate actively in the debates in order to contribute effectively to the decision-making process.

If a director is unable to attend a meeting for good reasons and must unavoidably grant proxy, he or she must give instructions to the director to whom he or she grants proxy, under the terms established in these Rules.

- c) Attend the General Shareholders' Meeting.
 - d) Perform any specific function entrusted to him/her by the Board of Directors that falls reasonably within his or her commitment of dedication.
 - e) Encourage people with the ability to do so to call an extraordinary Board meeting or to include, on the agenda of the next meeting to be held, any items he or she considers appropriate.
 - f) Clearly express his or her opposition to any motion set before the Board which may be contrary to the Law, the Articles of Incorporation, these Rules and other internal regulations of the Company, the corporate interest or when it does not respond to a reasonable need of the Company and is adopted by a majority in their own interest and to the unjustified detriment of the other shareholders and, in particular, independent and other Directors unaffected by the potential conflict of interest, when these are decisions that might be detrimental to the interests of the shareholders not represented on the Board.
3. As for strategic and business-related decisions, which are subject to business considerations, the diligence standard of an orderly entrepreneur shall be deemed to be met when the Director has acted in good faith, without any personal interest in the item covered by the decision, with sufficient information and according to an appropriate decision-making procedure.
4. Directors must inform the Appointments and Remuneration Committee of their other professional obligations in case they interfere with the dedication required of a director, and the Board of Directors must establish, based on a proposal by the Appointments and Remuneration Committee, the number of boards to which directors may belong.

Article 22. *Duty to act in good faith*

- 1. Directors shall undertake their roles with the loyalty of a faithful representative, acting in good faith and in the best interest of the Company.
- 2. In particular, Directors shall, in compliance with the duty to act in good faith:
 - a) Not exercise their powers with any purpose other than that for which they have been granted.

- b) Not disclose any information, data, reports or records to which they have had access in the performance of their duties, even when they are no longer active in this capacity, except for the cases permitted or required by Law.
- c) Refrain from taking part in the debate and vote of resolutions or decisions in which they or a related party have a direct or indirect conflict of interest. The previous obligation of abstention shall exclude any resolutions or decisions which affect them in their capacity as Director, such as their appointment to or removal from roles in the Board of Directors or others of a similar meaning.
- d) Perform their duties under the principle of personal responsibility with freedom of criterion or judgement and independence as regards instructions of and connections with third parties.
- e) Adopt any necessary measures to avoid any situations where their interests, either on their own behalf or on behalf of third parties, may conflict with the social interest and their duties with the Company.

Article 23. Conflicts of interest

1. Within the framework of the duty to avoid situations of conflict of interest as indicated in section 2.e) of the previous article, Directors shall refrain from:
 - a) Carrying out transactions with the Company or with companies of its Group, except when these are ordinary transactions, completed under standard conditions for the clients and of little significance; this means that the information related to them is not necessary to provide a true and fair view of the equity, financial situation and results of the Company.
 - b) Using the name of the Company or invoking their capacity as Directors to unduly influence the completion of private transactions.
 - c) Making use of company assets, including any confidential information of the Company, for private purposes.
 - d) Taking advantage of any business opportunities of the Company.
 - e) Obtaining benefits or remuneration from different third parties of the Company and its Group related to the performance of their duties, unless they concern items out of common courtesy.
 - f) Undertaking activities on their own behalf or on behalf of third parties which actually or potentially amount to effective competition for the Company or which otherwise place them in permanent conflict with the interests of the Company.
2. The previous points shall apply also in the event that the beneficiary of the acts or banned activities is a person related to the Director.

3. At any rate, Directors shall inform the Board of Directors, sufficiently in advance, of any situation of direct or indirect conflict that they or any persons related to them may have with the interest of the Company or the interest of the companies that are part of the FCC Group or its related companies, through the Corporate Responsibility Department or any other by which it may be replaced.
4. The Company may waive the bans contained in this article in individual cases by authorising a Director or a related party to carry out a specific transaction with the Company, to use particular company assets, to benefit from a specific business opportunity or to obtain a benefit or remuneration from a third party.
5. The authorisation must certainly be agreed by the General Meeting when its purpose is to waive the ban on obtaining a benefit or remuneration from a third party, it concerns a transaction whose value is greater than ten percent (10%) of the company assets or it relates to the obligation not to compete with the Company. In this final case, it can only be exempted if no damage is expected to be incurred by the Company or any that is expected is offset by the benefits that are expected to be obtained from the exemption; the exemption must be granted by means of an express and separate resolution of the General Meeting.
6. In the other cases the affect the bans contained in this article, the authorisation may be granted by the Board of Directors, based on a favourable report of the Appointments and Remuneration Committee, provided that the independence of the members that grant it is guaranteed in relation to the exempted Director or the affected related party. Furthermore, the harmlessness of the authorised transaction must be guaranteed for the net assets or, where appropriate, its completion under market conditions and the transparency of the process. Any Directors that are affected or represent or are related to the affected shareholders must refrain from taking part in the debate and vote of the relevant resolution.

Only those transactions that simultaneously meet the three (3) characteristics below shall be excepted from the authorisation obligation by the Board of Directors, as referred to in the previous paragraph:

- a) they are governed by standard form agreements applied on an across-the-board basis to a large number of clients;
 - b) they are performed at market prices or rates generally set by the person supplying the goods or services; and
 - c) their amount is no more than one percent (1%) of the Company's annual revenues.
7. At any rate, any situations of conflict of interest by which Directors are concerned shall be detailed in the report, under the terms established by Law.
 8. Related parties will be as defined in the Capital Companies Act.

Article 24. *Transactions with significant shareholders*

1. Based on a prior report of the Appointments and Remuneration Committee, the Board of Directors shall approve any transaction of the Company or companies of its Group with shareholders that either individually or jointly own a significant holding, including any represented shareholders in the Board of Directors of the Company or other companies of the Group or with parties related to them or their Directors. Any Directors that represent or are related to the affected shareholders must refrain from taking part in the debate and vote of the relevant resolution.
2. Only those transactions that simultaneously meet the three characteristics indicated in Section 6 of the previous article shall be excepted as regards transactions that are carried out by the Company with its Directors or parties related to them.

Article 25. *Directors' duty of disclosure.*

Directors must disclose the following to FCC's Appointments and Remuneration Committee through the Corporate Responsibility Department or any unit that takes its place:

- a) Shares they own in FCC Group companies that are listed, held either directly or through companies in which they have a significant holding. Such information includes stock options or derivatives referring to the value of the shares, as well as the modifications to such stockholdings or related rights, which must be disclosed within three business days from the occurrence of such modifications. The Corporate Responsibility Department will forward a copy of the disclosure to the Stock Market and Investor Relations Department of FCC in accordance with the provisions of its Internal Code of Conduct.
- b) Positions held and activities performed in other companies or entities.
- c) Significant changes in the director's professional situation that affects the status or conditions under which the director was appointed to the Board.
- d) Legal, governmental, or any other type of claim which, due to its significance, could have a serious effect on the reputation of FCC.
- e) In general, any event or situation that might be relevant to the director's performance as a Director of the FCC Board of Directors.

CHAPTER VI. INFORMATION FOR DIRECTORS

Article 26. *Powers to gather information and inspect*

1. In order to discharge their duties, Directors are duty bound to demand and entitled to obtain from the Company any appropriate information they require to fulfil their obligations about any aspect of FCC and its subsidiaries and associated companies,

in Spain and other countries. To this end, they may examine documentation, talk to the heads of the departments in question and visit the companies' facilities.

2. So as not to disturb the ordinary operations of the FCC Group, the exercise of these information rights must be channelled through the Chairman, who will respond to the directors' requests by either providing the information directly or offering the appropriate interlocutors at the pertinent organisational level.
3. If such a request for information is denied, delayed or handled deficiently, the requesting director may refer his petition to the Audit and Control Committee, which must grant a hearing to both the Chairman and requesting director before deciding how to proceed.
4. The requested information may only be denied when, in the opinion of the Chairman and the Audit and Control Committee, it is unnecessary or could be harmful to the Company's interests. Information requests cannot be denied if supported by an absolute majority of the Board members.

Article 27. Expert assistance

1. In order to assist them in discharging their duties, non-executive directors are entitled to obtain the necessary assistance from the Company to discharge their duties and, where necessary, to obtain advice, at FCC's expense, from legal, accounting and financial consultants and other experts.
2. Requests to engage external consultants or experts must be referred to the Chairman of the Board of Directors and will be approved by the Board of Directors if it considers that:
 - a) it is necessary for the proper performance by non-executive directors of their assigned duties.
 - b) the cost is reasonable, in view of the materiality of the problem and the assets and revenues of FCC; and
 - c) the technical assistance cannot be properly provided by internal FCC experts or technical personnel.
3. Requests for expert assistance by any of the Board Committees may not be denied except when a majority of the Board members considers that the conditions envisaged in paragraph 2 of this Article are not met.

CHAPTER VII. DIRECTORS' REMUNERATION

Article 28. Remuneration of directors

1. Based on a proposal by the Appointments and Remuneration Committee, the Board of Directors will distribute among its members the remuneration decided by the

General Meeting of Shareholders, as provided in the Articles of Incorporation and in line with the criteria envisaged in this article, each director being entitled to receive the remuneration established by the Board of Directors. Without prejudice to the foregoing, the Company will arrange civil liability insurance for its directors.

2. The remuneration of Directors must always be reasonably proportioned to the importance of the Company, the economic situation applicable at each time and the market standards of comparable companies. The established remuneration system must aim to promote the long-term profitability and sustainability of the Company, and incorporate the necessary prudence so as to prevent any excessive risk-taking and reward for unfavourable results.
3. The Board shall draft an Annual Report on Directors' Remuneration, which shall include comprehensive, clear and intelligible information about the Directors' remuneration policy applicable to the financial year underway. It must also contain an overview of how the policy was applied during the previous year, and the breakdown of individual remuneration accrued by each Director in the previous year. The remuneration policy must include qualitative information about the distribution among fixed and variable components, the ration between remuneration and results, the role undertaken, where appropriate, by the Appointments and Remuneration Committee, forecasting systems, indemnities, the conditions of the agreements of executive directors and senior directors, advance payments, loans and guarantees granted along with any cash remunerations and information about any actions taken by the Company as regards the remuneration system to reduce the exposure to excessive risk and adjust it to the long-term objectives, values and interests of the Company.

This Report will be published and voted upon by the Ordinary General Meeting of Shareholders, on a consultative basis, as a separate item on the agenda.

4. The General Meeting of the Company shall approve, at least every three (3) years and as a separate item on the agenda, the Directors' remuneration policy which shall be adjusted accordingly to the remuneration system contained in the Articles of Incorporation, under any provisions established under law. In the proposal of the aforesaid remuneration policy to the General Meeting, which shall be accompanied by a report of the Appointments and Remuneration Committee, the Board shall adhere to the following criteria: (i) non-executive directors' remuneration should sufficiently compensate them for the dedication, abilities and responsibilities that the post entails, but should not be so high as to compromise their independence; (ii) remuneration related to the shares in the Company or other companies in the Group, share options or other share-based remuneration, variable remuneration linked to the Company's performance or membership of pension schemes should be confined to executive directors except where directors are obliged to retain the shares until the end of their tenure; (iii) in the case of remuneration linked to Company earnings, they should take account of any qualifications in the external auditor's report that

lead to a reduction in such earnings; (iv) in the case of variable awards, remuneration policies should include technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the Company's sector, atypical or exceptional transactions or circumstances of this kind.

The remuneration policy approved by the General Meeting must necessarily address the following issues, where they arise: (i) the amount of the annual fixed remuneration and its variation in the period to which the policy refers, itemised of board and board committee attendance fees, with an estimate of the fixed annual payment to which they give rise; (ii) variable components, in particular the types of directors they apply to, with an explanation of the relative weight of variable to fixed remuneration items; performance evaluation criteria used to calculate entitlement to the award of shares or share options or any performance-related remuneration; the main parameters and grounds for any system of annual bonuses or other, non-cash benefits; and an estimate of the sum total of variable payments arising from the proposed remuneration policy, as a function of degree of compliance with pre-set targets or benchmarks; (iii) The main characteristics of providential systems (e.g. supplementary pensions, life insurance and similar arrangements), with an estimate of their amount or annual equivalent cost; (iv) and the conditions to apply to the contracts of executive directors exercising senior management functions, including duration, notice periods and any other clauses covering hiring bonuses, as well as indemnities or 'golden parachutes' in the event of early termination of the contractual relation between Company and executive director, and exclusivity, post-contractual non-competition and minimum employment commitment or loyalty agreements.

5. In the event that the Annual Report on Directors' Remuneration is rejected in the consultative vote of the Ordinary General Meeting, as referenced in Section 3 above, the applicable remuneration policy for the following year shall be submitted to the General Meeting for approval, prior to its approval, even if the aforesaid period of three (3) years has not elapsed.
6. Whenever a member of the Board of Directors is appointed Managing Director, or executive duties are assigned by virtue of another title, an agreement must be executed between this individual and the Company which must be previously approved by the Board of Directors with a favourable vote of at least two thirds (2/3) of its members. The Director concerned shall refrain from attending the debate and taking part in the vote. The approved agreement shall be appended to the minutes of the session.

This agreement, which shall be consistent with the Company's remuneration policy, must contain all indications required by Law, especially all instances where the Director can obtain remuneration in consideration of the performance of executive duties, including, where appropriate, any indemnity for the early removal from these

duties and any amounts to be paid by the Company as insurance premiums or contributions to savings systems. The Director may not receive any remuneration for the performance of executive duties whose amounts or items are not established in the aforesaid agreement.

Article 29. Directors' liability

1. Directors shall be liable vis-à-vis the Company, shareholders and any company creditors for any damage that they cause by any acts or omissions that are contrary to Law or the Articles of Incorporation, or by any are carried out in breach of the duties inherent to their position, provided that the damage is wilful or negligent.
2. The liability of the Directors is also extended to include de facto directors. To this end, both those that actually perform the functions inherent to directors, without any title or with an invalid or expired title, or with any other title, and any person under whose instructions the Company Directors act, shall be deemed to be de facto directors.
3. When there is no permanent delegation of any power of the Board of Directors to the Managing Director, all the provisions on the duties and liability of Directors shall apply to the person, whatever their denomination may be, to whom the powers of the most senior manager of the Company have been conferred, without prejudice to the actions of the Company based on their legal relationship with it.
4. The members of the Board of Directors that performed the harmful action or adopted the harmful resolutions will be jointly and severally liable except for those who can prove that they did not participate in its adoption or performance or were unaware of its existence or, although aware of its existence, did everything they could to avoid the damage, or at least expressed their opposition to it.
5. Under no circumstances will the fact that the harmful action or resolution was adopted, authorised or ratified by the General Meeting of Shareholders constitute exoneration from liability.
6. The natural person designated to permanently perform the duties inherent to the position of legal person director shall be subject to the same duties and shall be jointly and severally liable with the legal person director.

**CHAPTER VIII. STRUCTURE AND FUNCTIONING OF THE
BOARD OF DIRECTORS**

Article 30. Chairman. Functions

1. The Chairman of the Board of Directors shall be elected by the non-executive members of this Board, based on a prior report of the Appointments and Remuneration Committee.
2. The Chairman has the ordinary power to convene a meeting of the Board of Directors and to set the agenda. The Chairman, however, will be obliged to convene the Board and to include any items on the Agenda at the request of the Executive Committee or at least one-third of the members of the Board. In the latter case, if the Chairman fails to convene a meeting within one month without just cause, the Board may be convened by the directors who made the request for a meeting, to be held in the city where the corporate domicile is located.
3. The Chairman, as the ultimate authority for the proper operation of the Board of Directors, shall chair the meetings of the Board, shall ensure, in liaison with the Secretary, that Directors are supplied with sufficient information in advance of board meetings to debate the items of the Agenda, by working and stimulating the debate and the active involvement of the directors, safeguarding their rights to freely express and adopt positions, and organising and coordinating regular evaluations of the Board of Directors and its Committees and, where appropriate, the company's Managing Director, in conjunction with the chairmen of the relevant board committees.

Article 31. Vice-Chairman. Managing Director

1. The Board may appoint one or more Vice-Chairmen, based on a report by the Appointments and Remuneration Committee, to substitute for the Chairman in the event of absence or incapacity, as established in the Articles of Incorporation.
2. The Board may delegate permanently, to one or more of its members, all of the powers vested in the Board of Directors with the exception of those which, by Law or under the Articles of Incorporation or these Rules, may not be delegated.

In order to be valid, the permanent delegation of the powers of the Board of Directors and the designation of the director or directors delegated with such powers, regardless of their title, will require the favourable vote of at least two-thirds (2/3) of the members of the Board of Directors.

3. The Managing Director is responsible for representing and directing the Company's business, always in keeping with the decisions and criteria established by the General Meeting of Shareholders and the Board of Directors, within the scope of their respective authority.

The effective representation and direction of the Company's business affairs include, but are not limited to, the following powers:

- Supporting the Board of Directors in defining the Group's strategy.
 - Drafting the Business Plan and Annual Budgets to be submitted to the Board of Directors for approval.
 - Preparing, and submitting to the Board of Directors or the Executive Committee for approval, depending on whether the amount involved is more or less than twenty (20) million euros, respectively, proposals for investments, divestments, credit, loans, surety and guarantee lines and any other type of financial facility.
 - Hiring and dismissing any Company employee, with the exception of appointments which fall under the powers of the Board of Directors pursuant to the terms of these Rules.
4. Once per year, at the first Board meeting of the year, the Managing Director will inform the members of the Executive Committee of the actual level of compliance with the forecasts contained in the investment proposals submitted to the Committee and to the Board of Directors for approval.

Article 32. Secretary of the Board. Functions. Vice-Secretary of the Board

1. The Secretary of the Board of Directors need not be a director. His or her appointment and removal should be approved by a plenary board meeting based on a proposal by the Appointments and Remuneration Committee.
2. The Secretary will assist the Chairman and must ensure the smooth operation of the Board's activities, by making sure that Directors receive the information they need to perform their roles sufficiently in advance and in the appropriate format, retain the documentation of the Board of Directors, duly reflect the events of the sessions and the contents of the deliberations in the minutes and certify the resolutions passed by the Board.

The Secretary should take care to ensure that the board's actions: (i) are consistent with applicable regulations; (ii) comply with the Company's Articles and the Rules of the General Shareholders' Meeting, the Rules of the Board of Directors and other internal regulations of the Company; (iii) and adhere to the corporate governance recommendations contained in the Articles of Incorporation and the Rules of the Company.

Furthermore, although the Secretary is not a Director, he/she shall act in accordance with article 19.5 item two of these Rules.

3. The Secretary may undertake the role of Legal Counsel of the Board, in accordance with applicable regulations.
4. The Board of Directors may appoint a Vice-Secretary, who need not be a director, to assist the Secretary of the Board or to substitute for the Secretary in his or her absence or incapacity. The appointment and removal of the Vice-secretary shall require a prior report of the Appointments and Remuneration Committee.

5. Unless the Board of Directors decides otherwise, the Vice-Secretary may attend the Board meetings to assist the Secretary in drafting the meeting minutes.

Article 33. Minutes Book

1. Unless otherwise determined by the Board, the Company will maintain a single Minutes Book containing the minutes of the General Meeting of Shareholders, the Board of Directors and its committees.
2. The Company, under the Chairman's supervision, is responsible for the custody of the Minutes Book.

Article 34. Meetings of the Board of Directors

1. The Board of Directors must meet with the necessary frequency to properly perform its functions, and at any rate, at least once every quarter, and whenever the interests of FCC require, in accordance with a calendar and agendas set at the beginning of the year, to which each director may propose the addition of other items not initially envisaged in the agenda, which proposal must be made not less than thirteen (13) days prior to the date scheduled for the meeting. The calendar of the ordinary meetings will be set by the Board at the beginning of each year. The calendar may be modified by decision of the Board itself or of the Chairman, who will notify the directors of the change at least ten (10) days in advance of the original meeting date, or of the modified meeting date if it is earlier.
2. The announcement of the ordinary meetings will be sent by post, fax, e-mail or telegram and will be authorised with the signature of the Chairman or the acting Chairman or of the Secretary or Vice-Secretary, by order of the Chairman.

Notwithstanding the provisions of Article 31 of the Articles of Incorporation, every effort will be made to announce the meetings not less than ten (10) days in advance. Along with the announcement of each meeting, the Directors will be provided with the meeting agenda and the pertinent documentation to enable them to form an opinion and vote on the issues submitted to them for their consideration.

In emergency situations, at the Chairman's discretion, a meeting of the Board of Directors may be called 24 (twenty-four) hours in advance of the scheduled date and time, in which case the meeting agenda will be limited to the urgent matters.

3. The Chairman will decide the meeting agenda. The Directors and Board Committees may ask the Chairman to include items on the agenda in the terms envisaged in section 1 of this article, and the Chairman will be obliged to attend to this request.

When a specific item is included on the meeting agenda at the request of the directors, then the directors who requested the inclusion of that item must forward the pertinent documentation along with their request or identify the pertinent documentation so that it can be forwarded to the rest of the Board members.

4. Unless the Board of Directors has been convened or has been exceptionally convened for reasons of urgency, the Directors shall, previously and sufficiently in advance, be provided with any information they need to debate and adopt resolutions on the items to be addressed, and the Chairman of the Board, in liaison with the Secretary, must guarantee compliance with this provision.
5. Board meetings may be held via telephone multiconference, videoconference or any other analogous system so that one or more directors can attend the meeting via that system. For that purpose, in addition to stating the location where the meeting is physically held, which is where the Board Secretary must be located, the announcement must state that directors can attend via telephone multiconference, videoconference or an equivalent system, indicating and making available the technical means for this purpose, which in all cases must enable direct, simultaneous communication among attendees. The Secretary of the Board of Directors must enter, in the minutes of meetings held in this way, in addition to the names of the Directors physically in attendance or represented by another Director, those who attended via telephone multiconference, videoconference or an equivalent system.
6. Meetings shall be considered as convened in a valid manner when a majority of the members are in attendance, either present or represented.
7. The meetings will be conducted and the resolutions passed as provided for under the law and the Articles of Incorporation and in these Rules.
8. Directors must attend any Board meetings that are held in person. However, they may be represented by another Director. In the event of doubt, the Chairman will decide on the validity of the proxies conferred by the Directors who are absent. At any rate, non-executive Directors may only be represented by another non-executive Director.
9. The plenary Board will devote its first meeting each year to an assessment of its own performance during the preceding year, evaluating the quality of its work, and the efficacy of its rules and, where appropriate, proposing an action plan based on its result with a view to correcting any aspects which have been shown to be dysfunctional. Also, based on a report drawn up by the Appointments and Remuneration Committee, that meeting will assess the performance of the Chairman of the Board and the Company's chief executive, and the performance of the Committees on the basis of the reports issued by them and, with regard to the functioning of Committees, it shall propose an action plan based on its result with a view to correcting any aspects which have been shown to be dysfunctional.
10. Resolutions shall be adopted by the favourable vote of the absolute majority of Directors present at the meeting, with the exception of the permanent delegation of each and every power that may be legally delegated by the Board of Directors to the Executive Committee or the Managing Director, the appointment of Directors that are to occupy these roles and the approval of agreements between Directors with

executive functions and the Company, which shall require the favourable vote of at least two thirds (2/3) of the Board members to be validated. On the other hand, any amendment to the Rules of the Board of Directors shall be passed with the favourable vote of the absolute majority of all Board members.

11. At the Chairman's discretion, the Board of Directors can adopt resolutions in writing, without holding a session, if none of the Board Members objects to such procedure. When voting is done in this manner, the Secretary of the Board of Directors shall keep a record of the resolutions adopted, stating the names of the Board Members and the system used for informing about the Members' will, indicating the vote issued by each Member. In this case, resolutions are considered to be adopted at the Company's registered address on the date on which the latest vote issued was received. It must also be stated for the record that none of the Members of the Board of Directors objected to this procedure.

Votes in writing must be sent within ten (10) days after the date on which the request for a vote was received, otherwise they shall be rendered invalid.

After the term for issuing votes has elapsed, the Secretary shall notify the Board Members of the outcome of the vote, or of the fact that this voting procedure is not possible, given that a Member has objected to such procedure.

12. The Chairman of the Board of Directors may invite any persons that it sees fit to the meeting of the Board of Directors or discuss specific items of the Agenda with them.
13. The Board Secretary or Vice-Secretary, as the case may be, will draft the minutes of each meeting of the Board of Directors, listing the attendees, the agenda, the time and place of the meeting, the main issues of the debate, and the motions that were passed.

Any director is entitled to have his or her words or proposals transcribed in full into the minutes provided that he or she provides, in the meeting or within the deadline provided by the Chairman, the literal transcription of his or her comments; this requirement is waived where the Board meeting is recorded by any electromagnetic means that allows it to be stored and replayed in full at a later date. In particular, at any director's request, the minutes must reflect concerns expressed by the directors or the Secretary about any proposal, or by the Secretary about the Company's performance, where such concerns are not resolved by the Board.

The minutes of the meeting shall be drafted by the Secretary in an electronic format during the meeting; their essential points shall be read by the Secretary when the meeting ends and submitted to those present for approval. Furthermore, the Board may authorise the Secretary to incorporate any necessary clarifications and corrections of style, with the exception of the literal nature of the adopted resolutions.

CHAPTER IX. BOARD COMMITTEES

Article 35. Committees of the Board of Directors

1. To achieve greater efficiency and transparency in the exercise of its powers and the performance of its functions, the Board of Directors shall organise its work by setting up Committees to reinforce the objectivity with which it must address certain questions. These Committees shall have the powers established by Law, the Articles of Incorporation, these Rules and, where appropriate, the Regulations of the particular Committee.
2. Notwithstanding the Board's ability to set up other Committees, it will, at any rate, set up the following standing committees:
 - a) Executive Committee.
 - b) Audit and Control Committee.
 - c) Appointments and Remuneration Committee.
3. The Committees will be answerable to the Board of Directors, which will debate and decide on their proposals and reports, and they must report to the Board about their activities at the next plenary session following their meetings.
4. Commissions may obtain external assistance when they consider it necessary for the discharge of their duties; their meetings will be minuted, and a copy of the minutes will be sent to all members of the Board of Directors.
5. The Board of Directors will designate the members of the Committees, having regard to the directors' knowledge, skills and experience and each Committee's area of competence. In this regard, the Appointments and Remuneration Committee shall assess the profile of those persons put forward by the Board of Directors to make up the Committees and shall issue the corresponding report prior to their appointment.
6. Any employee or executive of the Company must attend a meeting of any Committee when requested to do so, and must attend alone if so requested by the Committee in question.
7. Committees shall also be governed, to the extent that they are not incompatible with their nature, by the rules of operation established in the Articles of Incorporation and these Rules, in relation to the functioning of the Board and, in particular, as regards convening meetings, the delegation of representation in favour of another member of the Committee in question, constitution, non-convened meetings, holding meetings and passing resolutions, voting in writing and without the need for a session and approval of the minutes of meetings.

Article 36. Executive Committee

1. The Board may set up an Executive Committee in which it may permanently delegate all of the powers vested in the Board of Directors with the exception of those which, by law or under the Articles of Incorporation or these Rules, may not be delegated.

Unless otherwise stipulated in the delegation of powers by the Board of Directors, the Executive Committee will have specific responsibility for deciding on investments, divestments, credits, loans, guarantee and surety lines and other financial facilities for unit amounts not exceeding the figure established in article 7.2.o). Furthermore, the Executive Committee may exercise, on an urgent basis, the powers assigned to the Board of Directors, according to the provisions of article 8 of these Rules.

2. Based on a report by the Appointments and Remuneration Committee, the Board of Directors will designate the Directors to form part of the Executive Committee, ensuring as far as possible that the structure of participation therein is similar to that of the Board itself in terms of the various categories of Director. The Secretary of the Board will also be the secretary of the Executive Committee.
3. The Executive Committee will be composed of a minimum of four (4) and a maximum of ten (10) members.
4. The members of the Executive Committee will step down from the Committee when they cease to be directors or when decided by the Board. Any vacancies arising will be filled as quickly as possible by the Board of Directors.
5. The Chairman of the Executive Committee shall be appointed from among the members of the Committee itself. In the absence or incapacity of the Chairman of the Executive Committee, or if that position is vacant, the functions of Chair will be performed by the member chosen for this purpose by the majority if attendees.
6. The Executive Committee will hold ordinary meetings in the months when a Board of Directors meeting is not scheduled, apart from the month of August, and it may meet on an extraordinary basis when required by the company's interests.
7. The Executive Committee will be convened by its Chairman or upon the request of at least two (2) Committee members. The notice will be send by letter, telegram, e-mail or fax to each member at least forty-eight (48) hours in advance. Nevertheless, the Executive Committee may be convened 24 (twenty-four) hours in advance of the schedule date and time of the meeting for reasons of urgency, in which case the meeting agenda will be limited to the issues which caused the urgency. Along with the announcement of each meeting, the members of the Executive Committee will be provided with the pertinent information they need to form an opinion and to vote.
8. In the absence or incapacity of the Chairman of the Executive Committee, or if that position is vacant, meetings may be convened by the longest-standing member of

the Committee and, in the event of there being two or more members with the same seniority, by the one who is oldest. In the case of directors that are legal persons, the age of the natural person representing them shall be used.

9. Meetings shall be held at the Company's registered address or in any location designated by the Chairman and stated in the announcement.
10. The Executive Committee will be quorate when a majority of its members are present or represented at the meeting. Any absent parties may be represented by another member of the Executive Committee. At any rate, non-executive Directors may only be represented by another non-executive Director.
11. The Chairman shall direct debates and give the floor to those attendees who wish to speak.
12. Resolutions shall be adopted by absolute majority of the members of the Committee.

In the event of a tied vote, the item shall be submitted to the Board of Directors; to this end, the members of the Executive Committee shall request that they be convened in accordance with the provisions of article 34 of these Rules, unless a meeting of this body has already been convened within thirty (30) calendar days of the event, in which case the Committee shall ask the Chairman of the Board to include the items to which said tied vote was applicable on the Agenda of this meeting.

13. The Executive Committee, through its Chairman, will inform the Board of the business transacted and the decisions made by the Committee, and a copy of the minutes of each meeting will be given to each director.

Article 37. *Audit and Control Committee*

1. The Board of Directors of FCC shall set up a permanent Audit and Control Committee, without executive functions and with the powers to inform, advise and propose within its sphere of activity; it shall comprise a minimum of three (3) and a maximum of six (6) Directors who shall be appointed by the Board of Directors in view of their knowledge and experience in matters of accounting, auditing or risk management and all the members shall be non-executive directors and the majority shall be independent and the Committee shall be appointed from among the Directors independent of the Chairman, and a Vice-Chairman may also be elected.

The term of the members of the Committee may not exceed their terms as Directors, notwithstanding the possibility that they may be re-appointed indefinitely so long as they are also re-appointed as Directors. Without prejudice to the foregoing, the term of the posts of Chairman and Vice-Chairman, as applicable, may not exceed four (4) years or their terms as members of the Committee, although they may be re-elected provided that at least one year has elapsed since the end of the previous term.

2. At least one of the independent members of the Audit and Control Committee shall be appointed on the basis of his/her knowledge and experience in accounting, auditing, or both.

As a whole, the members of the Committee shall have the relevant technical knowledge in respect of the Company's business sector.

3. The Audit and Control Committee will govern its own affairs in accordance with the Articles of Incorporation and these Rules. The Committee members who have held the post of Chairman may not be re-elected until at least one year has passed since stepping down as Chairman. The Audit and Control Committee shall designate a Secretary, and may also designate a Vice-Secretary, neither of whom need be a member of the Committee, to aid the Chairman and provide for the smooth operation of the Committee, duly reflecting, in the meeting minutes the business transacted, the deliberations and the decisions adopted. The Secretary or the person standing in for him will draft the minutes of each committee meeting, which will be signed by the Committee members in attendance.

4. The Audit and Control Committee will be quorate when a majority of its members are present or represented at the meeting; it will adopt decisions by absolute majority vote of those present or represented, and the Chairman will have a casting vote.

5. The basic function of the Audit and Control Committee is to support the Board of Directors in its supervisory duties by, among other things, periodically reviewing the processes used to prepare the financial information, the internal controls and the independence of the external auditors.

In particular, the matters that the Board of Directors may entrust to the Audit and Control Committee include, but are not limited to, the following:

a) Informing the General Meeting of Shareholders on the questions raised in relation to those matters that fall within its scope of authority and, in particular, on the results of the audit, explaining how it has contributed towards the integrity of financial reporting and the role that the Committee has played in that process.

b) Serving as a communication channel between the Board of Directors and the External Auditor of the company, by assessing the results of each audit; in relation to the External Auditor, it shall also be responsible for:

(i) submit to the Board of Directors proposals for the selection, appointment, re-election and replacement of the Auditor of accounts, taking responsibility for the selection process, as provided under Community law, and the contracting conditions;

(ii) regularly receiving from the External Auditor any information about the auditing plan and the results of its implementation, and maintaining his/her independence in the performance of his/her functions, and checking that the senior management takes into account his/her recommendations;

(iii) discussing any significant shortcomings of the internal control system detected during the audit with the External Auditor of the Company, without compromising his/her independence;

For such purposes and as appropriate, the Audit and Control Committee may present recommendations or proposals to the Board of Directors and the corresponding monitoring schedule.

(iv) establishing the appropriate relationships with the External Auditor so as to receive information about matters that may threaten to compromise his/her independence, for assessment by the Committee, and any other related to the accounts audit process and, as appropriate, authorizing any services other than any that may be prohibited, under the terms in respect of independence set out in the regulations on the auditing of accounts, and any other communications established by accounts auditing legislation and auditing regulations;

(v) guaranteeing the independence of the External Auditor, by particularly establishing appropriate measures: 1) contracting consulting services with that auditor or a company of its group does not jeopardise its independence, to which end the Committee will request and receive annually from the auditor a declaration of its independence with respect to the Company or entities directly or indirectly related to it, as well as information on any additional services provided and the corresponding fees received from those entities by the external auditor or by persons or entities related to the auditor, as set out in the regulations governing the auditing of accounts, and 2) the Company issues a regulatory disclosure to the CNMV as regards the change in auditor, with a statement about any disagreements with the outgoing auditor and their nature; where the external auditor resigns, and the Committee must examine the reasons; and

(vi) Seeking to ensure that the Company's Auditor takes responsibility for auditing the companies comprising the Group.

c) On an annual basis, prior to the issue of the audit report, issuing a report stating an opinion as to whether the independence of the auditors or auditing firms has been compromised. This report shall in any case contain an explanatory assessment of the provision of any and all additional services as referred to in section b) (v) 1 above, considered both individually and from an overall perspective, different from the legal audit and in respect of the independence arrangements or regulations governing the auditing of accounts.

d) Supervising the Company's internal audit units that oversee the good working of the information and internal control systems; the head of internal audit is obliged to present an annual work plan to the Committee and inform it directly of any incidents arising in the course of implementing the plan, as well as submitting a report on activities to the Committee at the end of each year.

e) Supervising and analysing the efficiency of the internal control of the Company and risk management and control policy, approved by the Board of Director, identifying at least:

(i) the different types of risk to which the Company is exposed, with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks;

(ii) the determination of the risk level the company sees as acceptable;

(iii) the measures in place to mitigate the impact of any identified risks, should they occur; and

(iv) the internal reporting and control systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks, and submission to the Board for approval.

f) Supervising the preparation and presentation of the financial statements and directors' report of the Company and the consolidated group and of the information released periodically to the markets and submitting recommendations or proposals to the Board of Directors, with a view to safeguarding its integrity, checking for compliance with legal provisions and the correct application of generally accepted accounting principles, and informing the Board before it adopts any of the following decisions:

(i) the financial information that the Company must disclose periodically by virtue of being listed, ensuring that the interim financial statements are drawn up in accordance with the same accounting principles as the annual financial statements and, to this end, considering the advisability of a limited review by the Company's external auditor; and

(ii) The creation or acquisition of shares in special purpose vehicles or entities resident in countries or territories considered tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the FCC Group.

g) With respect to internal control and reporting systems: (i) monitoring the preparation and the integrity of the financial information prepared on the Company and, as the case may be, the Group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles; (ii) supervising internal control and risk management systems, including those of a tax nature, on a regular basis, to ensure that the main risks are properly identified, managed and disclosed; (iii) monitoring the independence and efficacy of the internal audit function; proposing the selection, appointment, reappointment and removal of the head of internal audit; proposing that department's budget; receiving regular reports on its activities; and verifying that senior management are acting on the findings and recommendations of its reports; receiving regular reports

from the Response Committee and the Internal Control and Risk Management Department, respectively, about the performance of its activities and the workings of the internal controls; and (v) ensuring that the internal codes of conduct and the rules of corporate governance comply with the requirements of law and are appropriate for the company, and reviewing compliance, by the persons governed by those codes and governance rules, of their obligations to inform the Company.

h) Issuing reports and proposals as requested by the Board of Directors or the Chairman of the Board and those it deems appropriate for the best performance of its functions, and particularly, (i) issuing the report on proposed amendments to these Rules, as provided in article 4.3.; (ii) deciding on requests for information presented by directors, by virtue of article 26.3 of these Rules, to this Committee, and (iii) requesting the inclusion of any items on the agenda of Board meetings, in the conditions and time periods established in article 34.3 of these Rules.

6. The Audit and Control Committee will have access to all of the documentation and information needed to perform its functions and it may seek the advice of external professionals who, with the capacity of advisers and up to a maximum of two (2) for each member of the Committee, are deemed appropriate, in which case the provisions of articles 27.3 and 35.4 of these Rules will apply. These advisers may speak at the meetings but may not vote.

7. The Audit and Control Committee will meet at least once per quarter and as convened by the Chairman or when requested by two (2) Committee members. Each year, the Committee will draft an action plan for the coming year which it will submit to the Board, along with a report on its activity from the year, which shall be used as a basis of the assessment conducted by the Board of Directors.

In the absence or incapacity of the Chairman of the Audit and Control Committee, or if that position is vacant, meetings may be convened by the longest standing member of the Committee and, in the event of there being two or more members with the same seniority, by the one who is oldest. In the case of directors that are legal persons, the age of the natural person representing them shall be used.

8. The Chairman shall direct debates and give the floor to those attendees who wish to speak.

In the absence or incapacity of the Chairman of the Audit and Control Committee, or if that position is vacant, the functions of Chair will be performed by the member chosen for this purpose by the majority of attendees.

9. Any member of the FCC Group's management team or personnel, and the Company's external auditors, will be obliged to attend meetings of the Committee when requested to do so, and must collaborate and provide the information at their disposal, article 35.6 of these Rules being applicable where appropriate.

10. Any aspect that is not expressly regulated in this article as regards the functioning of the Audit and Control Committee.

Article 38. *Appointments and Remuneration Committee*

1. The Board of Directors of FCC shall set up a permanent Appointments and Remuneration Committee, without executive functions and with powers to inform, advise and propose within its sphere of activity; it shall comprise a minimum of four (4) and a maximum of six (6) member Directors appointed by the Board of Directors; it shall consist exclusively of non-executive directors, of whom at least two (2) must be independent directors and another two (2) proprietary directors. The Committee shall appoint the Chairman from among its proprietary directors. The term of the members of the Appointments and Remuneration Committee may not exceed their terms as directors, notwithstanding the possibility that they may be re-appointed indefinitely so long as they are also re-appointed as directors.
2. The Appointments and Remuneration Committee will govern its own affairs in accordance with the Articles of Incorporation and these Rules. The Committee will designate a Secretary, who need not be a member of the Committee, to aid the Chairman and provide for the smooth operation of the Committee, duly reflecting, in the meeting minutes, the business transacted, the deliberations and the resolutions adopted; the minutes must be signed by the members of the Committee who attended the meeting in question. The members of the Appointments and Remuneration Committee will step down from the Committee when they step down as directors or when decided by the Board of Directors.
3. The Appointments and Remuneration Committee will be quorate when a majority of its members are present or represented at the meeting; it will adopt decisions by absolute majority vote of those present or represented, and the Chairman will have a casting vote.
4. The Appointments and Remuneration Committee will have the powers to inform, advise and propose within its areas of competence, and it will have the following functions established according to Law, the Articles of Incorporation or these Rules:
 - a) Evaluating the necessary balance of skills, knowledge and experience on the Board of Directors. For these purposes, it shall define the roles and capabilities required of the candidates to fill each vacancy, and decide the time and dedication necessary for them to effectively perform their duties.

Any director member may suggest directorship candidates to the Appointments and Remuneration Committee for its consideration.
 - b) Examining or organising the succession of the Chairman and Chief Executive and, where appropriate, making recommendations to the Board of Directors so the handover proceeds in a planned and orderly manner.

- c) Raising proposals for appointing and re-electing independent Directors with the Board of Directors for their designation by co-optation or for their submission to the decision of the General Shareholders' Meeting, and any proposals for the re-election or removal of these Directors by the General Shareholders' Meeting.
- d) Reporting appointment and re-election proposals of the other Directors for their designation by co-optation or for their submission to the decision of the General Shareholders' Meeting, and any proposals for the re-election or removal by the General Shareholders' Meeting.
- e) Reporting the appointment and removal proposals of senior executives and the basic conditions of their contracts, proposed to the Board by the chief executive, and proposing the candidates for senior executive positions in the Company, in addition to those envisaged in Article 2.2. of these Rules, and making the proposals for reprimands envisaged in Article 19.2.d) of these Rules.

The Committee will also issue a report before any appointment to a position or office whose annual remuneration is equal to or greater than the figure established by the Committee itself and reported to the Board of Directors in each case.

- f) Proposing to the Board of Directors the remuneration policy of Directors and general directors or whoever carries out their senior management functions with direct accountability to the Board, the Executive Committee or the General Manager, and the individual remuneration and other contractual conditions of the Executive Directors, while making sure that they are correctly implemented.

Furthermore, advising and proposing on multi-year incentive plans for the Company's senior management, particularly those related to the value of the shares. Proposing to the Board of Directors the distribution among its Directors of the remuneration stemming from their capacity as Directors decided by the General Meeting of Shareholders in accordance with the Articles of Incorporation and these Rules.

- g) Preparing and maintaining a record of the status of directors and senior executives of FCC.
- h) Assisting the Board to ensure that the procedures for selecting its members favour gender diversity, experience and knowledge, and are not implicitly biased to the extent that discrimination of any kind is engendered and, in particular, facilitate the selection of female Directors, so as to ensure that the Company deliberately seeks and short-lists women with the necessary professional profile, and the Annual Corporate Governance Report must disclose the reason why there are few or no female directors and the initiatives adopted to correct this situation.

For the purposes of the foregoing, a representation target must be established for the least represented gender on the Board of Directors and guidelines must be set out about how to achieve this target.

- i) Advising on the proposed appointment of members of the Board of Directors committees.
- j) Advising on the appointment and removal of the Secretary of the Board.
- k) Verifying the qualifications of the Directors under Article 6.3.
- l) Advising the Board of Directors in advance on all matters considered by Law, the Articles of Incorporation and in these Rules of the Board, especially on related transactions.
- m) Receiving and filing, in the record of status referred to in item g) above, the personal information provided by the directors as established in Article 25 of these Rules.
- n) Requesting, as necessary, the inclusion of items in the agenda of Board meetings, under the conditions and by the deadlines established in Article 34.3 of these Rules.

The Appointments and Remuneration Committee must consult with the Company's Chairman and Chief Executive in matters relating to the executive directors and senior executives.

- 5. The Appointments and Remuneration Committee will govern all aspect of its own affairs that are not included in the Articles of Incorporation and these Rules.
- 6. The Appointments and Remuneration Committee will have access to all of the documentation and information needed to perform its functions. The members of the Appointments and Remuneration Committee may be assisted during their meetings by up to two (2) advisers per Committee member, as required. Such advisers may attend meetings but not vote, and the provisions of article 27 of these Rules will apply to them.
- 7. The Committee will meet periodically, at least once per quarter, and when convened by the Chairman or requested by two (2) committee members. Each year, the Committee will draft an action plan for the coming year which it will submit to the Board, along with a report on its activity from the year, which shall be used as a basis of the assessment conducted by the Board of Directors.
- 8. In the absence or incapacity of the Chairman of the Appointments and Remuneration Committee, or if that position is vacant, meetings may be convened by the longest standing member of the Committee and, in the event of there being two or more members with the same seniority, by the one who is oldest. In the case of directors that are legal persons, the age of the natural person representing them shall be used.

9. The Chairman shall direct debates and give the floor to those attendees who wish to speak.
10. In the absence or incapacity of the Chairman of the Appointments and Remuneration Committee, or if that position is vacant, the functions of Chair will be performed by the member chosen for this purpose by the majority of attendees.

Article 39. Strategy Committee

1. FCC may set up a Strategy Committee, without executive functions and with the powers to inform, advise and propose within its sphere of activity; it shall comprise a minimum of three (3) and a maximum of six (6) Directors appointed by the Board of Directors, based on a report by the Appointments and Remuneration Committee, for a period not exceeding their term and without prejudice to the possibility of being re-elected indefinitely, to the extent that this is also the case as Directors. The majority of the members of the Strategy Committee shall be non-executive Directors.
2. The Strategy Committee will choose a Chairman from among its non-executive members. The Committee will also designate a Secretary, who need not be a member of the Committee, to aid the Chairman and provide for the smooth operation of the Committee, duly reflecting, in the meeting minutes, the business transacted, the deliberations and the resolutions adopted.
3. The members of the Strategy Committee will step down from the Committee when they step down as directors or when decided by the Board of Directors.
4. It is a function of the Strategy Committee to assist the Board of Directors in determining the Group's strategy based on the guidelines set out by the Board, preparing such reports and motions as may be necessary.
5. In particular, the Strategy Committee will advise the Board on any proposals involving investments, divestments, associations with third parties, the development of new lines of business, and financial transactions whose relevance is such that they may, in the Board's opinion, have an effect on the Group's strategy; it will also advise the Board on any other matters as requested by the Board which do not fall under the jurisdiction of any other Committee.
6. The Strategy Committee will have access to all of the documentation and information needed to perform its functions. Furthermore, the members of the Strategy Committee may be assisted during their meetings by up to two (2) advisers per Committee member, as required. Such advisers may attend meetings but not vote, for the purpose of which the provisions of article 27 of these Rules will apply.
7. The Strategy Committee will meet periodically and as convened by the Chairman or requested by two (2) committee members. Each year, the Committee will draft an action plan for the coming year which it will submit to the Board, along with a

- report on its activity from the year, which shall be used as a basis of the assessment conducted by the Board of Directors.
8. In the absence or incapacity of the Chairman of the Strategy Committee, or if that position is vacant, meetings may be convened by the longest-standing member of the Committee and, in the event of there being two or more members with the same seniority, by the one who is oldest. In the case of directors that are legal persons, the age of the natural person representing them shall be used.
 9. The Chairman shall direct debates and give the floor to those attendees who wish to speak.
 10. In the absence or incapacity of the Chairman of the Strategy Committee, or if that position is vacant, the functions of Chair will be performed by the member chosen for this purpose by the majority of attendees.
 11. The minutes of each committee meeting will be drafted and signed by the Committee members in attendance.
 12. Any member of the Company's management team or personnel of the FCC Group who is asked to attend the Strategy Committee's meetings will be obliged to attend, collaborate and provide the information at his disposal.
 13. The Strategy Committee will govern all aspect of its own affairs that are not included in the Articles of Incorporation and these Rules.

CHAPTER X. POLICY OF INFORMATION VIA THE CORPORATE WEB SITE

Article 40. Corporate web site of FCC.

1. The Company will have a corporate web site ("www.fcc.es") in the terms established by the Capital Companies Act, to provide shareholders with the mandatory information, to disseminate the documentation and information required by law and the Articles of Incorporation and other internal regulations of FCC and to disseminate any information that is relevant either to the Company's stakeholders or for the purposes of the regulations on regulatory disclosures contained in the regulations of the Securities Market Law.
2. The Board of Directors will be responsible for fulfilling the obligation of establishing the information content to appear on the web site, in accordance with

current law and with the Articles of Incorporation and other FCC internal regulations, and for keeping it up to date.

3. The Board of Directors is competent to modify, remove or move the Company's website.

Article 41. Content of the corporate web site

1. FCC's corporate web site will contain at least the following documents:
 - a) The current Articles of Incorporation and any amendments made to them in the last twelve months.
 - b) The latest approved financial statements, both separate y consolidated.
 - c) The current Rules of the General Meeting of Shareholders.
 - d) The current Rules of the Board of Directors and any current Rules of the Board Committees.
 - e) The FCC Group's Code of Ethics.
 - f) The Annual Report.
 - g) The current Internal Code of Conduct with regard to the Securities Markets.
 - h) The Annual Corporate Governance Reports.
 - i) The Annual Reports on Directors' Remuneration.
 - j) The documents relating to Ordinary and Extraordinary General Meetings, with information about the Agenda, the proposals of the Board of Directors and any relevant information that may be needed by shareholders to cast their vote, within the period indicated by the Spanish National Securities Market Commission.
 - k) Information about the development of Ordinary and Extraordinary General Meetings, especially about the composition of the General Meeting when it is quorate, any resolutions adopted with information about the number of votes cast and the meaning thereof in each of the proposals included on the agenda, within the period indicated by the Spanish National Securities Market Commission.
 - l) The annual financial reports for the last five (5) years.
 - m) The half-yearly financial report for the first six (6) months of the year.
 - n) The second half-yearly report, referring to the full twelve (12) months.
 - o) The interim management statement.
 - p) The communications channels existing between the Company and its shareholders and, in particular, the pertinent explanations to enable shareholders to exercise their right to information, plus any postal or electronic mail addresses for shareholder correspondence.

- q) The means and procedures for granting proxy for the General Meeting, established for the General Meeting from the time it is announced until the time it is held.
 - r) The means and procedures for distance voting, including any forms for accrediting attendance and voting at the General Meetings by telematic means.
 - s) Regulatory disclosures filed with the National Securities Market Commission.
 - t) The following information about each director:
 - (i) Professional experience and background.
 - (ii) Directorships held in other companies, listed or otherwise.
 - (iii) An indication of the director's classification; in the case of proprietary directors, stating the shareholder they represent or have links with.
 - (iv) The date of their first and subsequent appointments as a director of FCC.
 - (v) Shares held in FCC and any options on the same.
 - u) The Electronic Shareholder Forum in the terms regulated by the corresponding regulations, and its rules of operation.
 - v) Any other information or documentation that is required to be disseminated via the Company's website in accordance with the applicable regulations or which the Board of Directors sees fit to publish in the interest of the shareholders.
2. The Board of Directors shall make sure that the information featured on the website is maintained on the website and updated by the Corporate Responsibility Department, in accordance with the provisions of any applicable regulations.

FINAL CLAUSE: ENTRY INTO FORCE OF THE
AMENDMENTS

The amendments to the Rules of the Board of Directors approved by the Board of Directors on 28 July 2016 came into force on the day they were approved.