

**ANNUAL REPORT ON REMUNERATIONS OF
DIRECTORS OF PUBLIC LISTED COMPANIES**

ISSUER DETAILS

END DATE OF REFERENCE FINANCIAL YEAR	31/12/2013
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Corporate tax ID	A-28060903
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COMPANY NAME

Corporación Financiera Alba, S.A.
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REGISTERED ADDRESS

Castelló, 77, 5th Floor, 28006 MADRID

MODEL ANNUAL REPORT ON REMUNERATIONS OF DIRECTORS OF PUBLIC LISTED COMPANIES

A – COMPANY REMUNERATION POLICY FOR THE CURRENT FINANCIAL YEAR

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

- General principles and foundations of the remuneration policy.
- Most significant changes made to the remuneration policy with respect to what was applied in the previous financial year, as well as modifications made during the financial year to the conditions for exercising previously awarded options.
- Criteria used to establish the Company's remuneration policy.
- Importance regarding the variable items of remuneration with respect to the fixed items and the criteria followed to determine the different components of the directors' remuneration package (remuneration mix).

Explain the remuneration policy

- General principles and foundations of the remuneration policy

Directors' remunerations are based on article 39 of the Articles of Association which states the Board of Directors' remuneration will comprise a fixed remuneration established by the General Meeting of Shareholders when the annual financial statements are approved; that executive directors may receive additional remuneration in the form of shares or options on shares; and, finally, that the planned remuneration for directors is compatible with and independent of any salaries, remuneration, deliveries of shares or share options or other remunerations paid to executive directors.

In line with the recommendations of the Unified Code on Good Corporate Governance, and on the advice of the Nomination and Remuneration Committee, the Directors' Remuneration Policy was approved by the Board of Directors at its meeting on 30 May 2007, and has been modified by agreements dated 22 April 2008, 16 December 2009, 15 December 2010, and 26 March 2012.

The Remuneration Policy established addresses the following issues:

1.- Fixed components. The remuneration paid to members of the Board of Directors for their membership thereof, additional remuneration paid to the Chairmen, and the additional remuneration paid to members for their participation in the Audit Committee and the Nomination and Remuneration Committee.

2.- Variable remuneration. Principles:

- Variable remunerations are only paid to Executive directors.
- The variable remuneration paid to Executive directors will be based on their management of the Company and the results obtained.
- This amount will be quantified taking into account the value created for shareholders in terms of the increased net value of the Company's assets and the stock market performance of the shares. In all cases, remuneration must be linked to professional performance and not just be based on general market trends.
- Where the variable remuneration is linked to Company earnings, deductions should be computed for any qualifications stated in the external auditor's report.

3.- Remuneration in shares or share options:

Three-year share option schemes may be established for Executive directors and senior managers. The options are granted for nil consideration, may be offset and are non-transferable.

Share-based payment schemes may be established for Executive directors and senior managers as part of their annual variable remuneration, on condition that the shares are held for the legally stipulated period.

4.- There are no plans at present to make payments to Directors in the form of bonuses or non-cash benefits.

5.- The pension and insurance schemes built into the Company's salary and social benefits system include:

- Life, accident and disability insurance. The amount insured will be equivalent to six months' remuneration, including all benefits, payable to the Director.
- Health insurance.
- An alternative pension plan scheme for Executive directors, comprising a supplement to the Social Security pension equivalent to 35% of the total remuneration earned in the year prior to retirement, payable after the age of 65, or in the case of

a Director who has served the Company for over 40 years, after the age of 60.

6.- Basic conditions of the contracts of executive directors who perform senior management functions:

- Duration of the contract: Indefinite.
- Notice period: 15 days, as per the general legal requirement.
- The compensation payable on termination of the contract by the Company will be the higher of the amount of the fund set aside as a pension fund (described in part 5) or one year of all the remuneration payable, increased by one-twelfth for each year of service.

- Most significant changes made to the remuneration policy with respect to what was applied in the previous financial year, as well as modifications made during the financial year to the conditions for exercising previously awarded options.

No changes were made to the remuneration policy in 2013 and no changes were made to the conditions for the exercising of options already conceded.

- Criteria used to establish the Company's remuneration policy.

The criteria used are described in the section on the general principles and foundations of the remuneration policy.

- Importance regarding the variable items of remuneration with respect to the fixed items and the criteria followed to determine the different components of the directors' remuneration package.

The total variable remuneration of the Executive directors is less than the fixed remuneration paid to them (36.96%).

The criteria set out in part 2 of this section A.1 are used to determine the variable remuneration of Executive directors.

A.2 Information about the preparatory work and the decision-making process followed to determine the remuneration policy and the role performed, where applicable, by the remuneration committee and other control bodies in configuring the remuneration policy. This information will include, where appropriate, the mandate given to the remuneration committee, its composition and the identity of the external consultants whose services were used for defining the remuneration policy. The position of those directors that have participated in defining the remuneration policy will also be expressed.

Explain the process for determining the remuneration policy

The remuneration policy is established by the Board of Directors, subject to a prior report from the Nomination and Remuneration Committee, based on the proposal prepared by the Company and taking into account the opinions of certain experts and a review of the practices applied by other listed companies which are considered to be of a similar nature.

The Directors' Remuneration Policy was approved by the Board of Directors at its meeting on 30 May 2007, and has been modified by agreements dated 22 April 2008, 16 December 2009, 15 December 2010, and 26 March 2012.

The Nomination and Remuneration Committee will have the following functions:

- Evaluate the balance of skills, knowledge and experience on the Board, define the roles and capabilities required of the candidates to fill each vacancy and decide the time and dedication necessary for them to properly perform their duties.
- Advise, objectively and with a view to the interests of the Company, on proposals for the appointment, reappointment, ratification or removal of directors and for appointments to Board committees.
- Advise on the appointment and removal of the Company Secretary.
- Examine, in the manner considered appropriate, the succession of the Chairman and CEO and, where necessary, make recommendations to the Board to ensure that the handover proceeds in a planned and orderly manner.
- Report to the Board on matters of gender diversity.
- Examine the information provided by directors on their other professional obligations, in case they interfere with the required time commitment.
- Annually review the classification of directors.
- Propose to the Board: (i) the remuneration policy for directors and senior officers; (ii) the individual remuneration and other contractual conditions of executive directors; and (iii) the standard conditions for senior officer employment contracts.
- Monitor compliance with the remuneration policy established by the Company and report to the Board on the form and amount of the annual remuneration of directors as such and the results of any remuneration reviews.
- Ensure that remuneration is transparent and that information on remuneration is included in the annual report.
- Report on any senior officer appointments and removals that the chief executive may propose to the Board.
- Issue the reports provided for in the Board of Directors Regulations.

The members of the Nomination and Remuneration Committee at 31 December 2013 were: D. Juan March Delgado, Chairman; and Cristina Garmendia Mendizabal and Regino Moranchel Fernández, members, with José Ramón del Caño Palop acting as Secretary. The Chairman is an external proprietary director and Ms. Garmendia and Mr. Moranchel are independent non-executive directors. Other members of the Nomination and Remuneration Committee during 2013 were the independent non-executive directors Nicholas Brookes and José María Serra Farré.

No external advisers were used to determine the Directors' Remuneration Policy.

A.3 Indicate the amount and nature of the fixed components, with the breakdown, where applicable, of the remunerations for performing the senior management duties of the executive directors, of the additional remuneration as president or member of any board committee, of the expenses for participating in the board and its committees or other fixed remunerations as board member, as well as an estimate of the annual fixed remuneration to which it gives rise. Identify other benefits that are not paid in cash and the fundamental parameters according to which they are awarded.

Explain the fixed components of the remuneration
<p>In accordance with the approved Remuneration Policy, the fixed components of the Directors' remuneration are:</p> <ul style="list-style-type: none"> - The remuneration paid to members of the Board of Directors for their membership thereof will be 40,000 euros per year. - The Chairmen will receive an additional remuneration of 78,000 euros per year each. - The additional remuneration for participation in the Audit Committee will be 10,000 euros per year. - The additional remuneration for participation in the Nomination and Remuneration Committee will be 6,000 euros per year. <p>No attendance fees or other fixed remunerations are paid.</p> <p>The total estimated annual amount of the fixed components of Directors' remuneration is 1.9 million euros.</p> <p>The total amount of fixed remuneration paid to the Executive directors in 2013, taking into account the remuneration in respect of the companies belonging to the Group as established in article 42 of the Spanish Commercial Code was 1.08 million euros.</p> <p>Non-cash benefits paid to Directors comprise health insurance and life, accident and disability insurance.</p>

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

Specifically:

- Identify each of the remuneration plans of which the directors are beneficiaries, their scope, date of approval, date of implementation, effective period and principal characteristics. For share option schemes and other financial instruments, the general characteristics of the plan will include information about the conditions of exercising said options or financial instruments for each plan.
- Indicate any remuneration by way of participation in benefits or bonuses, and the reason why they were awarded.
- Explain the fundamental parameters and the basis of any system of annual bonuses.
- The types of directors (executive directors, external directors representing substantial shareholders, external independent directors and other external directors) who are beneficiaries of remuneration systems or plans that incorporate a variable remuneration.
- The basis of said variable remuneration systems or plans, the chosen performance assessment criteria, as well as assessment components and methods to determine whether or not they have met said assessment criteria and an assessment of the absolute amount of the variable remunerations to which the current remuneration plan would give rise, according to the degree of fulfilment of the hypotheses and objectives to which it refers.
- Where applicable, deferred or postponed payment periods that have been established and/or retention periods of shares and other financial instruments, if they exist.

Explain the variable components of the remuneration systems
<p>- Remuneration plans of which the directors are beneficiaries.</p> <p>A. 2010 Share-based payment scheme. A remuneration plan based on the transfer of shares in Corporación Financiera Alba to executive directors as part of their annual variable remuneration, with the aim of incorporating them into the shareholder structure.</p> <p>The scheme was approved by the General Meeting of Shareholders on 26 May 2010 and implemented by the agreement of the Board of Directors on the same date.</p> <p>The features of the scheme are:</p> <ul style="list-style-type: none"> - The maximum number of shares which may be transferred in a year to each beneficiary will be calculated by dividing the amount of his/her annual variable remuneration, up to a maximum of 12,000 euros, by the share price at the close of trading on

the day prior to the transfer date.

- The scheme will remain in force for a maximum of five years and may be terminated at any moment by the agreement of the Board of Directors.
- The employee must be a member of the workforce on the date the shares are transferred.
- The share transfer will take place on the date set by the Board of Directors or, by default, on the payment date of the variable remuneration.
- The Company will assume the costs of executing the scheme up to the transfer of the shares.
- For personal income tax purposes, the share-based payment is not treated as a payment in kind as it does not exceed 12,000 euros per year, provided the established requirements are met and the beneficiary holds the shares for at least three years.

B.- 2011 Options scheme

Under this scheme Executive Directors and Senior Managers of Alba may receive options on shares in the Company with the aim of incorporating them into the shareholder structure and make them more directly involved in the process of creating shareholder value.

The scheme was approved by the General Meeting of Shareholders on 25 May 2011 and implemented by the agreement of the Board of Directors on the same date.

The features of the scheme are as follows:

- The Company will deliver options giving the beneficiaries rights to acquire Alba shares.
- The Board of Directors will determine which Executive Directors and Senior Managers the scheme is open to.
- The maximum number of shares deliverable is 469,000.
- The options are non-transferable except upon the death of the beneficiary.
- The exercise price of each option will be 40.03 euros per share.
- The options may be exercised after three years and within a one month window.
- The beneficiary must pay the exercise price at the exercise date, although this amount may also be offset.
- If a capital increase results in a dilution of the Company's share capital, the option price will be adjusted downward to reflect the underlying book value of the preemptive subscription right. A similar adjustment will be made if the distribution of an extraordinary dividend is agreed.
- The options were granted for nil consideration.
- In order to exercise the options, the beneficiary must be an employee or Director of Alba on the exercise date, except in the case of death, retirement, early retirement, permanent disability, employment in another Group company, unfair dismissal or voluntary redundancy in accordance with Article 50 of the Statute of Workers Rights.
- The amounts payable as a result of applying this scheme will be treated as "gross" and subject to the current tax regime, the beneficiaries being liable for the corresponding tax charges.

- Remuneration in the form of profit sharing or bonuses.

No remunerations are paid in the form of profit sharing. Nevertheless, Executive directors are paid an annual variable remuneration.

- Fundamental parameters and the basis of any system of annual bonuses.

The criteria used to determine Executive directors' variable remuneration are detailed in section A.1.

- Only executive directors are beneficiaries of remuneration systems or plans that include a variable remuneration.

Variable remunerations are only paid to Executive directors.

- Basis of variable remuneration systems, the performance assessment criteria, the evaluation methods and assessment of the absolute amount of the variable remunerations in accordance with the current remuneration plan.

The variable remuneration paid to Executive directors will be based on their management of the Company and the results obtained. This amount will be quantified taking into account the value created for shareholders.

The estimated absolute amount of the variable remuneration payable to Executive directors totals 0.6 million euros.

- Deferred or postponed payment periods that have been established and/or retention periods of shares and other financial instruments, if they exist.

In general, no deferred payment periods for variable remuneration are currently planned. In respect of the share-based payment scheme that forms part of the annual variable remuneration, approved on 26 May 2010, there is however a requirement to retain the shares for a period of three years.

A.5 Explain the principal characteristics of the long-term savings systems, including retirement and any other survivor's benefit, partially or fully financed by the company, whether provided internally or externally, with an estimate of its amount or equivalent annual cost, specifying the type of plan, whether it is a defined contribution or benefit, the conditions for consolidating the financial rights to the directors and their compatibility with any type of compensation due to the early termination or end of the contractual relationship between the company and the director.

Also, specify the contributions in favour of the director to pension plans with a defined contribution; or the increase of the director's consolidated rights, when this concerns contributions to defined benefit plans.

Explain the long-term savings systems
<p>The long-term savings plan for Executive directors is an alternative pension plan system comprising a supplement to the Social Security pension equivalent to 35% of the total remuneration earned in the year prior to retirement, payable after the age of 65, or in the case of a Director who has served the Company for over 40 years, after the age of 60.</p> <p>There are no arrangements for consolidating Directors' financial rights. They are therefore only entitled to the aforementioned supplementary pension if they remain employed by the Company until the date of retirement.</p> <p>The estimated amount of contributions to the system in 2013 is 885,000 euros.</p> <p>No contributions will be made on behalf of directors to any defined contribution or defined benefit plan.</p>

A.6 Indicate any compensations agreed or paid in the event of the termination of duties as a director.

Explain the compensations
<p>The compensation payable on termination of the Executive director's contract by the Company will be the higher of the amount of the fund set aside as a pension fund (described in section A.5) or one year of all the remuneration payable, increased by one-twelfth for each year of service.</p>

A.7 Indicate the conditions that must be respected by the contracts of those who exercise senior management duties as executive directors. Among other things, information must be provided about the duration, limits to the compensation amounts, the clauses on length of service, notice periods, as well as payment in substitution of said notice period, and any other clauses relating to employment bonuses, as well as compensations or redundancy payments for early termination or the end of the contractual relationship between the company and the executive director. Include, among other things, agreements on non-competition, exclusivity, length of service or loyalty and post-contractual non-competition.

Explain the conditions of executive directors' contracts
<p>The basic conditions of the contracts of those who exercise senior management duties as Executive directors in Corporación Financiera Alba, S.A. are:</p> <ul style="list-style-type: none">- Duration of the contract: Indefinite.- Notice period: 15 days, as per the general legal requirement.- 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: The compensation payable on termination of the contract by the Company will be the higher of the amount of the fund set aside as a pension fund or one year of all the remuneration payable, increased by one-twelfth for each year of service.- The contract is full-time.

A.8 Explain any additional remuneration accrued to the directors in consideration for services rendered other than those inherent to their post.

Explain the additional remunerations
<p>Not applicable</p>

A.9 Indicate any remuneration in the form of advances, credits and guarantees awarded, specifying the interest rate, their key characteristics and any amounts that may have been refunded, as well as the obligations assumed on their account by way of a guarantee.

Explain the advances, credits and guarantees awarded

Not applicable

A.10 Explain the principal characteristics of the remunerations in kind.

Explain the remunerations in kind
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Not applicable

A.11 Indicate the remunerations accrued by the director by virtue of the payments that the listed company makes to a third party entity in which the director provides services, when the purpose of said payments is to remunerate the latter's services within the company.

Explain the remunerations that the director accrues by virtue of the payments that the listed company makes to a third party entity in which the director renders services

Not applicable

A.12 Information on the relationship between the remuneration obtained by executive directors in the reporting period and the company's profits, or some other measure of business performance, in that period

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Explain the other items of remuneration
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Not applicable

A.13. Explain the actions that the company has adopted with regard to the remuneration system in order to reduce exposure to excessive risks and adapt it to the company's long-term objectives, values and interests, which will include, where applicable, a reference to: envisaged measures to guarantee that the remuneration policy attends to the company's long-term results, measures that create a suitable balance between the fixed and variable components of the remuneration, measures adopted with regards to those categories of personnel whose professional activities have a material repercussion on the entity's risk profile, recovery formulas or clauses for clawing back variable remuneration components based on results when such components have been paid based on data that was subsequently demonstrated to be clearly inaccurate and the envisaged measures for avoiding conflicts of interests, where appropriate.

Explain the actions adopted to reduce risks
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The remuneration of directors as such and for their participation in board committees has been set at a moderate level, especially in comparison with that established in other listed companies.

The variable remuneration paid to Executive directors is based on the following criteria:

- The variable remuneration paid to Executive directors will be based on their management of the Company and the results obtained.
- The variable remuneration paid to Executive directors will be quantified taking into account the value created for shareholders, principally in terms of the increased net value of the Company's assets and the stock market performance of the shares.
- The variable remuneration paid to Executive directors must be linked to professional performance and not just be based on general market trends.
- Where the variable remuneration is linked to Company earnings, deductions should be computed for any qualifications stated in the external auditor's report, where said qualifications would result in lower stated earnings.

The variable remuneration payable to Executive directors may not exceed the total amount of the fixed remuneration paid.

In order to link remuneration to the long-term performance of the Company, an options scheme has been established whereby Executive Directors and Senior Managers are awarded options, maturing after three years from the approval date, allowing them to acquire shares of the Company with the aim of incorporating them into the shareholder structure and make them more directly involved in the process of creating shareholder value.

As no component of remuneration is based exclusively on the Company's results, there are no recovery formulas or clauses for clawing back said payments.

B – REMUNERATION POLICY ENVISAGED FOR FUTURE FINANCIAL YEARS

B.1 Make a general forecast of the remuneration policy for future financial years that describes said policy in terms of: fixed components and expenses and variable remunerations, relationship between the remuneration and results, pension schemes, conditions of executive directors' contracts, and forecast of most significant changes to the remuneration policy, compared to previous financial years.

General forecast of the remuneration policy

No changes to the remuneration policy are planned for the forthcoming financial years.

The remuneration policy detailed in section A.1 will therefore apply.

B.2 Explain the decision-making process for configuring the remuneration policy envisaged for future financial years, and the role performed, where appropriate, by the remuneration committee.

Explain the decision-making process for configuring the remuneration policy

In accordance with the provisions of the Board of Directors Regulations of Corporación Financiera Alba, S.A., decisions concerning the remuneration policy for Directors and senior managers, the individual remuneration of Executive directors and other contract conditions will be approved by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.

B.3 Explain the incentives created by the company concerning the remuneration system in order to reduce exposure to excessive risks and adjust it to the company's long-term objectives, values and interests.

Explain the incentives created to reduce risks

No incentives are established which are specifically designed to reduce exposure to excessive risks or to adjust them to the Company's long term aims, values and interests. Nevertheless, the entire remuneration system for Executive directors is based on principles of moderation and is linked to the Company's medium- and long-term performance.

With regard to the remuneration paid to members of the Board of Directors for their membership thereof, no special incentive for reducing risks is deemed necessary, the amounts payable being moderate.

C – GENERAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE CLOSED FINANCIAL YEAR

C.1 Briefly explain the principal characteristics of the structure and items of remuneration of the remuneration policy applied during the closed financial year which give rise to the list of individual remunerations accrued for each of the directors appearing in section D of this report, as well as a summary of decisions taken by the board in order to apply said items.

Explain the structure and items of remuneration of the remuneration policy applied during the financial year
<p>Directors' remunerations are based on article 39 of the Articles of Association which states the Board of Directors' remuneration will comprise a fixed remuneration established by the General Meeting of Shareholders. The Board will decide how the remuneration agreed by the General Meeting is distributed among its members. In addition to the above, the remuneration of executive directors may consist of shares, or options on shares, of the company or incentives linked to the value of the company's shares, in the manner and on the terms determined by the General Meeting of Shareholders. Finally, the Articles of Association state that the planned remuneration must be compatible with and independent of any salaries, remuneration, deliveries of shares or share options or other remunerations paid to members of the Board of Directors that have an ordinary or special senior management or service provision employment relationship with the Company, which will be subject to the legal regime applicable to them and will be compatible with serving as a members of the Board of Directors.</p> <p>The remuneration paid to Directors in 2013 was in accordance with the provisions of the Directors' Remuneration Policy approved by the Board of Directors at its meeting on 30 May 2007, and modified by agreements dated 22 April 2008, 16 December 2009, 15 December 2010, and 26 March 2012, as detailed in section A.1.</p> <p>The Board of Directors agreed to maintain in 2013 the same system and amount of statutory remuneration for the members of the Board of Directors as that established for 2012. No other decisions in respect of remunerations were adopted.</p>

D - LIST OF THE INDIVIDUAL REMUNERATIONS ACCRUED FOR EACH DIRECTOR

Name	Type	Accrual period financial year 2013
CARLOS MARCH DELGADO	Proprietary	From 01/01/2013 to 31/12/2013
JUAN MARCH DELGADO	Proprietary	From 01/01/2013 to 31/12/2013
JUAN MARCH DE LA LASTRA	Executive	From 01/01/2013 to 31/12/2013
JUAN MARCH JUAN	Executive	From 01/01/2013 to 31/12/2013
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	Executive	From 01/01/2013 to 31/12/2013
JOSE NIETO DE LA CIERVA	Proprietary	From 01/01/2013 to 31/12/2013
JOSE RAMON DEL CAÑO PALOP	Executive	From 01/01/2013 to 31/12/2013
RAMON CARNE CASAS	Executive	From 01/01/2013 to 31/12/2013
NICHOLAS BROOKES	Independent	From 01/01/2013 to 31/12/2013
ISIDRO FERNANDEZ BARREIRO	Proprietary	From 01/01/2013 to 25/01/2013
EUGENIO RUIZ-GALVEZ PRIEGO	Independent	From 01/01/2013 to 25/01/2013
JOSE MARIA SERRA FARRE	Independent	From 01/01/2013 to 25/09/2013
AMPARO MORALEDA MARTINEZ	Independent	From 01/01/2013 to 31/12/2013
JOSE DOMINGO DE AMPUERO Y OSMA	Independent	From 29/05/2013 to 31/12/2013
REGINO MORANCHEL FERNANDEZ	Independent	From 29/05/2013 to 31/12/2013
CRISTINA GARMENDIA MENDIZABAL	Independent	From 13/12/2013 to 31/12/2013

D.1 Fill in the following tables concerning the individual remuneration of each director (including the remuneration for the exercise of executive duties) accrued during the financial year.

a) Remunerations accrued in the company that is the object of this report:

i) Cash remuneration (in thousands of euros)

Name	Salary	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of board committees	Compensation	Other items	Total 2013	Total 2012
JOSE DOMINGO DE AMPUERO Y OSMA	0	30	0	0	0	0	0	0	30	0
NICHOLAS BROOKES	0	40	0	0	0	16	0	0	56	46
RAMON CARNE CASAS	0	40	0	0	0	0	0	0	40	40
JOSE RAMON DEL CAÑO PALOP	165	40	0	85	0	0	0	0	290	275
ISIDRO FERNANDEZ BARREIRO	0	10	0	0	0	2	0	0	12	104
JUAN MARCH DE LA LASTRA	176	40	0	244	0	0	0	0	460	440
JUAN MARCH DELGADO	0	118	0	0	0	6	0	0	124	118
CARLOS MARCH DELGADO	0	118	0	0	0	0	0	0	118	124
JUAN MARCH JUAN	0	40	0	0	0	0	0	0	40	40
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	239	40	0	180	0	0	0	0	459	508
AMPARO MORALED A MARTINEZ	0	40	0	0	0	10	0	0	50	31
REGINO MORANCHEL FERNANDEZ	0	31	0	0	0	0	0	0	31	0
JOSE NIETO DE LA CIERVA	0	40	0	0	0	10	0	0	50	50
EUGENIO RUIZ-GALVEZ PRIEGO	0	10	0	0	0	2	0	0	12	50
CRISTINA GARMENDIA MENDIZABAL	0	10	0	0	0	1	0	0	11	0
JOSE MARIA SERRA FARRE	0	30	0	0	0	4	0	0	34	46

ii) Share-based remuneration systems

SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN
2011 OPTIONS SCHEME

Implementation date	Option ownership at start of 2013					Options assigned during 2013					
	No. options	No. affected shares	Exercise price (€)	Exercise term		No. options	No. affected shares	Exercise price (€)	Exercise term		
25/05/2011	75,000	75,000	40.03	3 YEARS		0	0	0.00	0		
Conditions: 0											
Shares delivered in 2013			Options exercised during 2013				Options expired and not exercised	Options at end of 2013			
No. of shares	Price	Amount	Exercise price (€)	No. options	No. affected shares	Gross profit (thousands (of euros))	No. options	No. options	No. affected shares	Exercise price (€)	Exercise term
0	0.00	0	0.00	0	0	0	0	75,000	75,000	40.03	3 YEARS
Other exercise requirements: 0											

JOSE RAMON DEL CAÑO PALOP 2011 OPTIONS SCHEME											
Implementation date	Option ownership at start of 2013					Options assigned during 2013					
	No. options	No. affected shares	Exercise price (€)	Exercise term		No. options	No. affected shares	Exercise price (€)	Exercise term		
25/05/2011	35,000	35,000	40.03	3 YEARS		0	0	0.00	0		
Conditions: 0											
Shares delivered in 2013			Options exercised during 2013				Options expired and not exercised	Options at end of 2013			
No. of shares	Price	Amount	Exercise price (€)	No. options	No. affected shares	Gross profit (thousands (of euros))	No. options	No. options	No. affected shares	Exercise price (€)	Exercise term
0	0.00	0	0.00	0	0	0	0	35,000	35,000	40.03	3 YEARS
Other exercise requirements: 0											

JUAN MARCH DE LA LASTRA
2011 OPTIONS SCHEME

Implementation date	Option ownership at start of 2013				Options assigned during 2013						
	No. options	No. affected shares	Exercise price (€)	Exercise term	No. options	No. affected shares	Exercise price (€)	Exercise term			
25/05/2011	75,000	75,000	40.03	3 YEARS	0	0	0.00	0			
Conditions: 0											
Shares delivered in 2013			Options exercised during 2013				Options expired and not exercised	Options at end of 2013			
No. of shares	Price	Amount	Exercise price (€)	No. options	No. affected shares	Gross profit (thousands (of euros))	No. options	No. options	No. affected shares	Exercise price (€)	Exercise term
0	0.00	0	0.00	0	0	0	0	75,000	75,000	40.03	3 YEARS
Other exercise requirements:											

iii) Long-term savings systems

Name	Contribution in financial year by the company (thousands of euros)		Amount of accumulated funds (thousands of euros)	
	2013	2012	2013	2012
JOSE RAMON DEL CAÑO PALOP	138	71	1,553	1,372
JUAN MARCH DE LA LASTRA	455	149	1,492	1,016
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	255	496	5,477	5,040
JUAN MARCH JUAN	37	15	95	57

iv) Other benefits (in thousands of euros)

CARLOS MARCH DELGADO					
Remuneration in form of advances and loans granted					
Interest rate for the operation		Basic features of the operation		Any returned amounts	
0.00		0		0	
Life insurance premiums		Guarantees given by the company in favour of directors			
2013	2012	2013		2012	
6	6	0		0	

JUAN MARCH DELGADO					
Remuneration in form of advances and loans granted					
Interest rate for the operation		Basic features of the operation		Any returned amounts	
0.00		0		0	
Life insurance premiums		Guarantees given by the company in favour of directors			
2013	2012	2013		2012	
8	6	0		0	

JUAN MARCH LASTRA					
Remuneration in form of advances and loans granted					
Interest rate for the operation		Basic features of the operation		Any returned amounts	
0.00		0		0	
Life insurance premiums		Guarantees given by the company in favour of directors			
2013	2012	2013		2012	
7	1	0		0	

ISIDRO FERNANDEZ BARREIRO				
Remuneration in form of advances and loans granted				
Interest rate for the operation		Basic features of the operation		Any returned amounts
0.00		0		0
Life insurance premiums		Guarantees given by the company in favour of directors		
2013	2012	2013		2012
18	17	0		0

SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN				
Remuneration in form of advances and loans granted				
Interest rate for the operation		Basic features of the operation		Any returned amounts
0.00		0		0
Life insurance premiums		Guarantees given by the company in favour of directors		
2013	2012	2013		2012
10	9	0		0

JOSÉ RAMÓN DEL CAÑO PALOP				
Remuneration in form of advances and loans granted				
Interest rate for the operation		Basic features of the operation		Any returned amounts
0.00		0		0
Life insurance premiums		Guarantees given by the company in favour of directors		
2013	2012	2013		2012
7	6	0		0

b) Remunerations accrued in the company that is the object of this report:

i) Cash remuneration (in thousands of euros)

Name	Salary	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of board committees	Compensation	Other items	Total 2013	Total 2012
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	0	100	0	0	0	0	0	0	100	100
RAMÓN CARNÉ CASAS	449	0	0	0	0	0	0	0	449	435
JUAN MARCH JUAN	48	0	0	12	0	0	0	0	93	46

ii) Share-based remuneration systems

iii) Long-term savings systems

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

Should include the summary amount for all remuneration included in this report that have been earned by the director, in thousands of euros.

For Systems Long-term savings include contributions or allocations made to such systems.

Name	Remuneration accrued in the Company				Remuneration accrued in Group companies				Totals		
	Total cash remuneration	Amount of awarded shares	Gross profit of exercised options	Total 2013 company	Total cash remuneration	Amount of awarded shares	Gross profit of exercised options	Total 2013 group	Total 2013	Total 012	Contribution to savings schemes during the financial year
JOSE DOMINGO DE AMPUERO Y OSMA	30	0	0	30	0	0	0	0	30	0	0
NICHOLAS BROOKES	56	0	0	56	0	0	0	0	56	46	0

RAMON CARNE CASAS	40	0	0	40	449	0	0	449	489	475	0
JOSE RAMON DEL CAÑO PALOP	290	0	0	290	0	0	0	0	290	275	138
ISIDRO FERNANDEZ BARREIRO	12	0	0	12	0	0	0	0	12	104	0
CRISTINA GARMENDIA MENDIZABAL	11	0	0	11	0	0	0	0	11	0	0
CARLOS MARCH DELGADO	118	0	0	118	0	0	0	0	118	124	0
JUAN MARCH DE LA LASTRA	460	0	0	460	0	0	0	0	460	440	455
JUAN MARCH DELGADO	124	0	0	124	0	0	0	0	124	118	0
JUAN MARCH JUAN	40	0	0	40	93	0	0	93	133	86	37
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	459	0	0	459	100	0	0	100	559	608	255
AMPARO MORALEDA MARTINEZ	50	0	0	50	0	0	0	0	50	31	0
REGINO MORANCHEL FERNANDEZ	31	0	0	31	0	0	0	0	31	0	0
JOSE NIETO DE LA CIERVA	50	0	0	50	0	0	0	0	50	50	0
EUGENIO RUIZ-GALVEZ PRIEGO	12	0	0	12	0	0	0	0	12	50	0
JOSE MARIA SERRA FARRE	34	0	0	34	0	0	0	0	34	46	0
TOTAL	1,817	0	0	1,817	642	0	0	642	2,459	2,453	885

D.2 Report about the relationship between the remuneration obtained by the directors and the entity's results or other performance measurements, explaining, where applicable, how the variations in the company's performance may have affected the directors' remunerations.

0

D.3 Report on the results of the consultative voting of the General Meeting on the annual report regarding remunerations of the previous financial year, indicating the number of negative votes issued, where applicable:

	Number	% of total
Votes issued	54,225,482	93.01%

	Number	% of total
Negative votes	2,571,813	4.74%
Votes in favour	51,612,771	95.19%
Abstentions	40,898	0.07%

E – OTHER INFORMATION OF INTEREST

If there is any significant aspect concerning the directors' remuneration that could not be included in the other sections of this report, but which must be included in order to provide more thorough and logical information about the company's structure and practices for its directors' remuneration, please provide brief details of the same.

- Section A.10. With regard to section A.10, it is noted that, although not deemed to be a payment in kind, the Company has contracted health insurance and life, accident and disability insurance on behalf of the Executive directors and proprietary director.

- Section D.1. (iv). The figures included under "Life Insurance Premiums" include both life insurance and health insurance premiums.

This annual corporate governance report was approved unanimously by the Board of Directors of the Company at its meeting held on 26 March 2014.

Indicate whether any directors voted against or abstained from voting on this report.

NO