



***ORDINARY GENERAL SHAREHOLDERS'  
MEETING***

***29 May 2014***

*Vice Chairman's speech*

***Mr. Antonio García Ferrer***

Good morning ladies and gentleman.

Our chairman already mentioned in his speech that I would be talking today about the main Corporate Social Responsibility issues that arose in 2013. The content of these issues is detailed in the CSR report which we submit to you the shareholders every year at this General Meeting, along with the other documentation.

As you all know, the ACS Group is a worldwide leader in the infrastructure development industry. Its main objective is to pursue global leadership, optimising the profitability of the resources employed and promoting sustainable development through its business.

The ACS Group believes that a fundamental and conceptual part of sustainable development at the ACS Group is to improve society, generating wealth to guarantee the wellbeing of the people that we ultimately serve.

The ACS Group's commitment to society can be summarised into four areas of action:

- One. Respect ethics, integrity and professionalism in the Group's relationship with its Stakeholders.
- Two. Respect the social, economic and environmental setting.
- Three. Promote innovation and research as a tool for infrastructure development.
- Four. Create jobs and well-being as an economic motor for society.

These are the foundations of the Corporate Social Responsibility policy implemented by the ACS Group companies, which is adapted by the companies individually while managing their resources in the most efficient way possible, always based on a common objective.

The ACS Group carried out the "One" Project to face the challenge of coordinating the Group's CSR activity. The project which is part of the ACS Group's general

strategy, seeks to promote best management practices and make them widespread across the Group.

"One" focuses mainly on three areas of action:

- develop and generalize the Group's position in relation to business ethics;
- promote best practices in the areas of customer management, quality, suppliers, the environment and R&D+i, which will allow us to improve operating efficiency;
- and promote policies related to the ACS Group's employees, which will increase job security, talent retention and social initiatives at the Group.

In practice, "One" lets the Group analyse and assess the performance of its companies with respect to the main sustainability control indicators, based on the following objectives:

- redefining non-financial management, governance, environmental and social best practices on a continuous basis;
- implement these best practices at the different companies and set up controls over their management indicators and;
- feed the Group's sustainability strategy using generally accepted criteria, mainly a global benchmark such as the Dow Jones where ACS currently has a presence.

This project has already generated initial results, in line with its original objectives. Particularly noteworthy are the results of the issues relating to the ACS Group's business ethics:

- Firstly, in 2013 the Code of Conduct was implemented in full and has already been adopted by all of the ACS Group companies.
- I think this would be a good point to mention that they have all put into practice specific training plans on Ethics, Human Rights, Integrity and Conduct. In fact, last year 77,350 people took part in 629 courses, which means that more than

51% of the workforce has already received this training. This percentage will gradually increase until it reaches 100%.

- Contractual clauses have also been introduced to control supplier and subcontractor risk. The clauses explicitly envisage compliance with the ACS Group's Code of Conduct, a practice that has been implemented at companies representing 92% of total sales and adheres to international standards on human rights, labour relations and employee safety.
- I also want to point out that the Whistleblowing Channel is available to all ACS Group employees who need to report any activity that violates the Code of Conduct. During 2013 this channel has received 27 notifications, all of which were dealt with in a timely fashion and resolved within the same year.

The successful implementation of the Group's Code of Conduct and application of the code to employees and subcontractors is proof that through initiatives such as the "One" project, management best practices can be put in place efficiently even in a group as fragmented as the ACS Group.

I would like to underline three important matters with respect to the Group's commitment to efficiency:

- Once again, we have beat the prior year's customer satisfaction indicators. 87.6% of the replies were positive, up more than 150 b.p. on 2012 and almost twice as many satisfaction surveys were completed compared to last year. Customer focus is one of the Group's most important corporate values. We can see how the Group companies' business activities are obtaining very good results.
- In 2013 a significant number of the Group's companies introduced supplier authorisation processes in their purchase departments. These practices intend to reduce operating risk, since they guarantee a high level of quality and compliance with environmental clauses and they include controls in terms of ethics, health and safety at work.

This control is extended to defining assessment factors relating to human rights in countries that have an established risk in this connection.

The ACS Group employees tens of thousands of suppliers and subcontractors every year. So, subcontractor and supplier management excellence is key to preventing technical, reputational and operating risks in its business.

- I would like to commend the companies' efforts to reduce CO<sub>2</sub> emissions, the amount of waste generated and the volume of water consumed. In recent years, this achievement has undoubtedly helped to increase the scope and reliability of non-financial information, making it possible to define stringent objectives and assess operating performance from an environmental perspective.

Thirdly, I would like to applaud the main achievements of the Group's employees, both in terms of human resources and industrial safety as well as social initiatives.

- At the end of 2013 the ACS Group had 157,689 employees in more than 65 countries. 43,853 employees are based in Spain and 113,836 work overseas. The key to the ACS Group's business success is its team. The Company is therefore committed to increasing its capacity on a continuous basis and upping its level of responsibility and motivation. I would like to pay special attention to the training that has been given.

Over the past year, the Group has exceeded the 15 hours per annum per employee, obtaining almost 2.4 million training hours, which has cost it EUR 86 million. A Group like the ACS Group, which is a worldwide leader in its own right in an engineering-related business must continue to commit to investing in training for its employees.

- The Group's commitment to industrial safety is one of the strategic foundations of every ACS Group company, which maintain the commitment to reach the most demanding standards in this area and so become a reference in health and safety protection, not only for its own employees, but also for its suppliers, contractors and partners.

The ACS Group's companies have safety management systems at work which are generally much more sophisticated than legally required, evidenced by the fact that 71% of the Group's employees work to the OSHAS 18001 benchmark standards, which demonstrates a clear and firm commitment to excellence in this field. During the past year the Group has invested EUR 168 million in safety at work, equal to 5.6% of the total gross operating profit.

I want to announce that at the Board meeting held prior to this General Meeting, the Directors approved the Group's social action policy to strengthen this line of action. The policy is focused on four objectives:

- driving forward the business and sustainability of the business;
- improving the Company's prestige and reputation;
- increasing employee and partner satisfaction; and
- lastly, helping to improve the society in which the ACS Group operates

It has therefore created a Social Action Policy which is linked to its business strategy because it believes that this will be the best way of generating real value for every single stakeholder.

The entities responsible for executing the policy are: the ACS Foundation, which will keep its identity and statutory purpose, integrating itself in this Policy as a determining factor, and the ACS Group companies, who already carry out social action initiatives independently, and which will strengthen these activities using the guidelines approved today.

The Social Action Policy will provide any future initiative with consistency. In fact, it will make it possible to measure the impact of the different initiatives and will be a determining factor in underpinning the numerous efforts made by us in this area.

The ACS Foundation was created to put back into society some of the profits from the Group's business, and to bring together the Group's sponsorship and financial support, improving the quality of life for the general public as a whole, with a special emphasis on the disabled, as well as a particularly human, educational, cultural and

environmental emphasis; and supporting the human rights and fulfilment of the Millennium Development Goals approved by the United Nations in 2000.

The ACS Foundation has therefore sought to do the following:

- a) Promote and carry on all manner of cultural and artistic activities.
- b) Promote and carry on programmes and activities relating to science, training, education, teaching, research and the distribution of technology, as well as any other activity that serves to improve people's quality of life.
- c) Take part in the promotion of the conservation and restoration of historical Spanish art buildings to make them better well known.
- d) Promote activities that help to conserve and protect the environment.

The Foundation's strategy for achieving the ends mentioned above relies on collaboration and economic support linked to the following programmes:

- Elimination of barriers and full accessibility in favour of people with disabilities and reduced mobility.
- Environmental education and protection.
- Restoration of historical monuments.
- Scientific and technical research.
- Sponsorship of other foundations and institutions.
- Support for cultural and sporting activities.
- Cooperation with respect to development.

I would also like to talk about the most significant activities carried out to improve the quality of life for the disabled, contributing financial support and providing the ACS Group with specific support on partnership agreements with the Royal Board of Trustees for National Heritage and Disability.

I am talking about the management of Royal Sites which, since 2010, have meant that the Monastery of San Lorenzo de El Escorial, the Monastery of Santa María La Real de Las Huelgas, the Royal Monastery of Santa Clara in Tordesillas and, in 2013, the Monastery of San Jerónimo de Yuste can be accessed by people with reduced mobility. Access to the Royal Palace in Madrid is currently under improvement. The

National Institute of Statistics in Spain estimates that 6% of the Spanish population, i.e. more than two and a half million people with reduced mobility, have been able to enjoy Spain's artistic heritage and contribute to maintaining it. More than 80% of this group travels and, as a result, spends more on local tourism than the average visitor to Royal Sites, generating income and creating jobs.

This effort has been recognised by the United Nations through its special office, the World Tourism Organisation (UNWTO), through a publication with the support of a public private partnership with the above institutions as an example of creating offers that are accessible for tourists.

These actions also help to combat the discrimination that disabled people have had to face for a long time with respect to use and enjoyment of Spanish heritage.

I would also like to stress the importance and success of the pilot project, entered into and carried out by the ACS Foundation and the Community of Madrid to provide environmental education in its schools. 20,000 students have learned about topics such as water, renewable energies, ecosystems, responsible consumption, protected natural habitats and biodiversity. The success of this partnership has guaranteed that the programme will continue next year.

It has also provided support for countless research-related projects, intended to improve people's future quality of life, especially in the field of medicine and, specifically, in the fight against Alzheimer's disease and other rare neurodegenerative illnesses.

In short, I would like to state the Group's firm, long-lasting and clear commitment to Corporate Social Responsibility. It will continue to nurture this commitment to guarantee the future growth of the Group.

We are convinced that these initiatives will help create more value for the Group's shareholders, employees, clients and for all the Group's stakeholders in general.

Thank you.