



***Ordinary General Shareholders' Meeting***

***04 May 2017***

*Vice Chairman's speech*

***Mr. Antonio García Ferrer***

Good morning ladies and gentleman.

As the Chairman emphasised in his speech, in 2016 the ACS Group has strengthened its position as a leading company in the infrastructure sector. In order to maintain this position of leadership we have an established strategy that ensures profitability and the generation of shared value for all our stakeholders. The three essential pillars of this strategy are:

- pursuing global leadership,
- optimising the return on resources,
- and promoting sustainable growth.

In my speech today I would like to focus on the third pillar of our strategy: promoting sustainable growth.

In order to address this challenge the ACS Group, whose operation is highly decentralised, needs to combine the efforts and contributions of all our companies. These companies define their own policies, but always taking into account the principles included in the Group's Corporate Social Responsibility Policy, approved in February 2016. This policy sets out the basic principles in this area, including integrity and transparency, as well as their commitments to their environment.

Allow me to elaborate on these points in more detail:

1) In the area of business ethics and integrity, I would like to mention that in 2016 we have continued strengthening our procedures for the promotion, reinforcement and control of these matters in the running of our business.

This is why the new Procedural Regulations for the Code of Conduct Monitoring Committee were approved, whose

amendments are focused on improving the procedures for processing and resolving cases relating to the Code of Conduct.

Likewise, the ACS Group believes that training in human rights, ethics, integrity and conduct is crucial, which is why 15% of the Group's employees received training in these matters during 2016.

2) In the area of transparency of information, this year we have made significant progress with the publication of the first ACS Group Integrated Report. With this report, we want to offer a complete view of the company and its activities, integrating the most important financial and non-financial information to show the Group's generation of value, from the different perspectives of all the stakeholders.

In addition to focusing on these important topics, the report has been prepared following internationally recognised information reporting requirements and is complemented by all the other documentation published by the ACS Group.

This report, together with the rest of the documents published throughout the year, is available on both our website and the pen-drive that we have given you along with the executive summary of the year.

3) As I said previously, an essential part of the running of our business is our commitment when it comes to sustainability to all of the stakeholders with whom we have a relationship. At this point I would like to mention the launch of the 20-20 Plan this year. With this plan the Group has established 20 global objectives

relating to Corporate Social Responsibility for the year 2020. In order to achieve these commitments, each of the Group's companies must define the most relevant measures and behaviours according to their business characteristics, in such a way that these global objectives are met.

In the Integrated Report you can find all the progress made in the indicators relating to the commitments established in the 20-20 plan, but I would like to highlight some issues that I consider to be important:

Firstly, our commitment to one of our most important assets: the more than 176,000 employees in the ACS Group.

As you will have heard me say on other occasions, I cannot emphasise enough that our success lies with our fantastic team of employees. For this reason, our concern is focused on both their professional development and on improving their safety in the workplace. These areas are key not only to attracting new talent but also to developing and retaining our excellent employees.

In the area of professional development, the ACS Group makes significant efforts in training. This is reflected in the more than €26 million invested in this area in 2016, which has resulted in 1.6 million teaching hours given to over 71,000 of the Group's employees.

Moreover, as I have reiterated on other occasions, occupational health and safety is one of the strategic pillars of all of the companies in the ACS Group. Our main objective is to reduce the

accident rate to zero and become a benchmark in health and safety protection. In order to achieve this ambitious objective the ACS Group not only strictly complies with all of the safety management systems required by law, but also has the commitment of all employees, suppliers, contractors and partner, working to achieve the most demanding standards in this area. This can be seen in the fact that almost all of our companies have an occupational health and safety management system audited by independent organisations.

Training is also fundamental in this area, as is demonstrated by the fact that 99.5% of the Group's employees have received some type of training in this area during their professional career, and that €147 million was invested in health and safety during 2016.

Another of the fundamental aspects within the management of our business is the commitment to improve our operational efficiency. To achieve this, targets are set and best practices are promoted in the areas for the management of customers, quality, suppliers, the environment and R&D. With regard to this commitment, I would like to mention the following aspects:

- In the area of environmental management, 74% of the Group's sales in 2016 were covered by certification processes in accordance with standard ISO 14001, which represents a growth of 30 basis points compared to the previous year. In terms of rationalising the consumption of resources, I would like to highlight that in comparable terms, that is to say without including Urbaser, we managed to reduce our emission intensity ratio by more than 17% in 2016, thus helping to

achieve our targets in the fight against climate change. In the coming years we will continue making progress in this area, as well as in improving our eco-efficiency indicators, in line with the requirements of our customers and society in general.

- Another aspect to which the ACS Group is fully committed is the quality of its services. So, in 2016, 55% of its sales were certified by the standard ISO 9001 and the intensity of investment in measures to promote and improve the quality of our activities has increased by almost 13%, thus complying with the expectations of our customers. These quality requirements are also passed on to the suppliers, who in order to be selected are required to not only be certified in quality and environmental areas but also to follow our Code of Conduct. The suppliers who have signed up to this represent 94.3% of our annual expenditure.
- As you are aware, as a company we are committed to research, development and innovation. Thus, during 2016 the Group's companies have invested over €39 million in 161 projects.

Finally, I would like to mention the significant progress we are making in our commitment to contributing to the development of society. As I have already mentioned on other occasions, the ACS Group has a social action policy that seeks to improve the company's recognition, increase the satisfaction of our employees and contribute to improving the society in which the Group operates.

This policy is implemented through both the Foundation and the companies in the ACS Group.

During 2016 the companies have allocated €6.8 million to social action initiatives. Among the initiatives carried out, investments have been made in the communities in which the companies operate, where 422 courses or public awareness activities have been held and 98 NGOs and Foundations have received support. You can find more information about the initiatives carried out in our Integrated Report.

Our Social Action is also coordinated through the ACS Foundation. As you are already aware, the Foundation was created to reinvest of the profits generated by our business back into society and to coordinate the Group's sponsorship and patronage activity. Through its work it seeks to improve the quality of life of the public. To do this, the Foundation runs different programmes related to:

- improving the quality of life of people with disabilities, or in a situation of dependency;
- defending and supporting good environmental practices;
- supporting cultural organisations;
- maintaining and restoring Spain's artistic heritage;
- supporting medical research;
- and cooperation on development and technical support.

For this task, the ACS Foundation has invested around €4.4 million in the different programmes. In the initiatives carried out to improve the quality of life of people with disabilities, I would like to mention our support for the collaboration agreements with the

Royal Disability Trust (Real Patronato sobre Discapacidad) and National Heritage Board (Patrimonio Nacional), and we continue to provide financial resources for the domestic and international Reina Letizia awards. We are also continuing to work on improving accessibility to large monuments. In this regard, in 2016, among other actions, we carried out accessibility work on different unique buildings, including the missionary sites of Jesús de Tavarangué and Santísima Trinidad del Paraná in Paraguay and the Royal Academy of Spain in Rome.

The ACS Foundation has also focused on supporting numerous projects related to research, mainly in the fight against neurodegenerative diseases, cultural sponsorship, cooperation for development and other projects that may be found on the Foundation's website.

To conclude, I would like to once again mention the progress made by the ACS Group in 2016 in matters of sustainability, always seeking to achieve excellence in all of our areas of action and promoting management policies aligned with our business culture. Our objective for the coming years is to continue creating shared value for both the ACS Group and the rest of society, from our position as a global leader in infrastructures.

Thank you.