ACCIONA, S.A.
and
SUBSIDIARIES
(Consolidated Group)

HALF-YEAR FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

Limited review report on Acciona, S.A. and subsidiaries

(Together with the condensed consolidated interim financial statements and the directors' report of Acciona, S.A. and subsidiaries for the six-month period ended 30 June 2023)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Limited Review report on the Condensed Consolidated Interim Financial Statements

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Acciona, S.A., commissioned by the Company´s Directors

REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Introduction

We have conducted a limited review of the accompanying condensed consolidated interim financial statements (the "interim financial statements") of Acciona, S.A. (the "Company") and subsidiaries (together the "Group"), which comprise the balance sheet at 30 June 2023, the income statement, statement of recognised income and expense, statement of changes in equity and statement of cash flows, and explanatory notes (all condensed and consolidated for the six-month period then ended). The Directors of the Parent Company are responsible for the preparation of these interim financial statements in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, pursuant to article 12 of Royal Decree 1362/2007 as regards the preparation of condensed interim financial information. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2023 have not been prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, pursuant to article 12 of Royal Decree 1362/2007 as regards the preparation of condensed interim financial statements.

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N.I.F. B-78510153

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Emphasis of Matter

We draw your attention to note 2 (a) of the accompanying explanatory notes, which states that these interim financial statements do not include all the information that would be required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The accompanying interim financial statements should therefore be read in conjunction with the Group's consolidated annual accounts for the year ended 31 December 2022. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying consolidated interim directors' report for the six-month period ended 30 June 2023 contains such explanations as the Directors of the Parent consider relevant with respect to the significant events that have taken place in this period and their effect on the interim financial statements, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The consolidated interim directors' report is not an integral part of the interim financial statements. We have verified that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the six-month period ended 30 June 2023. Our work is limited to the verification of the consolidated interim directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of Acciona, S.A. and subsidiaries.

Other Matter

This report has been prepared at the request of Acciona, S.A.´s Directors in relation to the publication of the six-monthly financial report required by article 100 of Law 6/2023 of 17 March 2023 on Securities Markets and Investment Services.

KPMG Auditores, S.L.

(Signed on original in Spanish)

Bernardo Rücker-Embden

27 July 2023

ACCIONA, S.A.
and
SUBSIDIARIES
(Consolidated Group)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM DIRECTORS' REPORT FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

A. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF ACCIONA, S.A. AND SUBSIDIARIES FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

Condensed consolidated balance sheet

(Millions of euros)	Notes	Unaudited 30.06.23	31.12.22
Property, plant and equipment	4	10,836	9,485
Investment property	5	181	168
Rights of use	6	760	548
Goodwill	7	1,494	249
Other intangible assets	8	718	545
Non-current financial assets	9.1	203	263
Investments accounted for using the equity method	9.2	727	1,730
Deferred tax assets		1,147	872
Other non-current assets	10	644	545
NON-CURRENT ASSETS		16,710	14,405
Inventories	11	2,903	1,386
Trade and other accounts receivable		4,890	3,340
Other current financial assets	9.1	350	315
Current income tax assets		290	141
Other current assets		967	648
Cash and cash equivalents		2,751	2,360
CURRENT ASSETS		12,151	8,190
TOTAL ASSETS		**28,861**	**22,595**
Capital	12	55	55
Retained earnings	12	4,831	4,631
Profit attributable to the parent company		467	441
Treasury shares	12	-13	-17
Translation differences	12	-190	-225
Interim dividend			--
Equity attributable to equity holders of the Parent Company	**12**	5,150	4,885
Non-controlling interests		1,731	1,419
EQUITY		6,881	6,304
Debentures and other marketable securities	14	3,709	3,101
Bank borrowings	14	3,714	2,624
Lease obligations	6.2	614	439
Deferred tax liabilities		947	890
Provisions	13	365	279
Other non-current liabilities	15	1,286	1,134
NON-CURRENT LIABILITIES		10,635	8,467
Debentures and other marketable securities	14	1,077	1,139
Bank borrowings	14	944	553
Lease obligations	6.2	108	72
Trade and other accounts payable		6,650	3,889
Provisions	13	508	299
Current income tax liabilities		216	74
Other current liabilities	15	1,842	1,798
CURRENT LIABILITIES		11,345	7,824
TOTAL EQUITY AND LIABILITIES		**28,861**	**22,595**

The accompanying Notes 1 to 23 are an integral part of the consolidated condensed financial statements for the six-month period ended 30 June 2023.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
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Condensed consolidated income statement

(Millions of euros)	Notes	Unaudited 30.06.23	Unaudited 30.06.22
Revenue	18	7,056	5,177
Other revenue		521	453
Change in inventories of finished goods and work in progress		157	70
Cost of goods sold		-2,341	-1,581
Personnel expenses		-1,329	-1,003
Other operating expenses		-3,246	-2,124
Depreciation and amortisation charge and change in provisions	4, 5, 6, 8	-452	-347
Impairment and profit/(loss) on disposals of non-current assets	19	-6	-1
Other gains or losses	3	402	-7
Equity method profit/(loss) - analogous	9.2	106	72
OPERATING PROFIT		868	709
Financial income		104	16
Financial costs		-214	-116
Foreign exchange rate changes		2	8
Profit/(loss) from changes in value of financial instruments at fair value		34	-64
Equity method profit/(loss) – non-analogous	9.2	-103	-108
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		691	445
Income tax expense		-179	-138
PERIOD'S PROFIT FROM CONTINUING OPERATIONS		512	307
Profit/(Loss) after tax from discontinued operations			
PERIOD'S PROFIT		512	307
NON-CONTROLLING INTERESTS		-45	-106
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY		467	201
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euros)	17	8.53	3.67
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euros)	17	8.53	3.67
BASIC EARNINGS PER SHARE (Euros)	17	8.53	3.67
DILUTED EARNINGS PER SHARE (Euros)	17	8.53	3.67

The accompanying Notes 1 to 23 are an integral part of the consolidated condensed financial statements for the six-month period ended 30 June 2023.

FRANCISCA GÓMEZ MOLINA
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Condensed consolidated statement of comprehensive income

(Millions of euros)	Unaudited 30.06.23	Unaudited 30.06.22
A) CONSOLIDATED PROFIT FOR THE PERIOD	512	307
1. Profit attributed to the Parent Company	467	201
2. Non-controlling interests	45	106
B) ITEMS NOT RECLASSIFIABLE TO THE INCOME STATEMENT		
1. Revaluation/(Reversion of revaluation) of property, plant and equipment and intangible assets		
2. Revaluation of financial instruments		
3. Actuarial gains or losses and other adjustments		
4. Tax effect		
C) ITEMS RECLASSIFIABLE TO THE INCOME STATEMENT	-34	501
Income and expense recognised directly in equity	18	498
1. Cash flow hedges	85	289
2. Translation differences	-46	281
3. Other income and expenses recognised directly in equity	--	--
4. Tax effect	-21	-72
Transfers to the income statement	-52	3
1. Cash flow hedges	-138	4
2. Translation differences	52	
3. Other income and expenses recognised directly in equity		
4. Tax effect	34	-1
TOTAL RECOGNISED INCOME / (EXPENSE) (A+B+C)	478	808
a) Attributed to the Parent Company	462	627
b) Attributed to non-controlling interests	16	181

The accompanying Notes 1 to 23 are an integral part of the consolidated condensed financial statements for the six-month period ended 30 June 2023.

FRANCISCA GÓMEZ MOLINA
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Condensed consolidated statement of changes in equity

(Unaudited) *(Millions of euros)*	Equity attributable to the Parent Company							
	Shareholders' equity							
	Share capital	Share premium, reserves and interim dividend	Treasury shares	Period's profit attributed to the Parent Company	Other equity instru-ments	Valuation adjustments	Non-controlling interests	Total equity
Opening balance at 01/01/2023	55	4,418	-17	441	--	-12	1,419	6,304
Adjustments due to changes in accounting policies								
Adjustments due to errors								
Adjusted opening balance	55	4,418	-17	441	--	-12	1,419	6,304
Total recognised income/(expense)	--	--	--	467	--	-5	16	478
Transactions with shareholders or owners		-210	1				296	87
Capital increases/(reductions)								--
Conversion of financial liabilities into equity		42					48	90
Dividends paid		-247					-46	-293
Treasury share transactions (net)		-1	1					--
Increases / (Decreases) due to business combinations		-2					305	303
Other transactions with shareholders or owners		-2					-11	-13
Other changes in equity		450	3	-441				12
Share-based payments		6	3					9
Transfers between equity accounts		441		-441				--
Other changes		3						3
Closing balance at 30/06/2023	55	4,658	(13)	467	--	(17)	1,731	6,881

The accompanying Notes 1 to 23 are an integral part of the consolidated condensed financial statements for the six-month period ended 30 June 2023.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

Condensed consolidated statement of changes in equity

	Equity attributable to the Parent Company							
	Shareholders' equity							
(Unaudited) *(Millions of euros)*	Capital	Share premium, reserves and interim dividend	Treasury shares	Period's profit attributed to the Parent Company	Other equity instru-ments issued	Valuation adjustments	Non-controlling interests	Total equity
Opening balance at 01/01/2022	55	4,290	-18	332	--	-347	1,245	5,557
Adjustments due to changes in accounting policies								
Adjustments due to errors								
Adjusted opening balance	55	4,290	-18	332	--	-347	1,245	5,557
Total recognised income/(expense)	--	--	--	201	--	426	181	808
Transactions with shareholders or owners		-213	-2				-28	-243
Capital increases/(reductions)								--
Conversion of financial liabilities into equity								--
Dividends paid		-225					-17	-242
Treasury share transactions (net)		1	-2					-1
Increases / (Decreases) due to business combinations							3	3
Other transactions with shareholders or owners		11					-14	-3
Other changes in equity		341	3	-332			1	13
Share-based payments		4	3					7
Transfers between equity accounts		332		-332				--
Other changes		5					1	6
Closing balance at 30/06/2022	55	4,418	-17	201	--	79	1,399	6,135

The accompanying Notes 1 to 23 are an integral part of the consolidated condensed financial statements for the six-month period ended 30 June 2023.

Condensed consolidated statement of cash flows

(Millions of euros)	Notes	Unaudited 30.06.23	Unaudited 30.06.22
CASH FLOWS FROM OPERATING ACTIVITIES		-39	536
Profit before tax from continuing operations		**691**	**445**
Adjustments for:		**99**	**461**
Depreciation and amortisation charges and change in provisions	4,5,6,8,9	418	447
Other adjustments to profit (net)	9.2	-319	14
Changes in working capital		**-595**	**-250**
Other cash flows from operating activities:		**-234**	**-120**
Interest paid		-202	-89
Interest received		83	13
Dividends received		30	59
Income tax recovered/(paid)		-139	-97
Other amounts received/(paid) relating to operating activities	6,9,10,15	-6	-6
CASH FLOWS FROM INVESTMENT ACTIVITIES	4,5,6,7,8,9,19	-2,104	-1,135
Payments due to investment:		**-1,660**	**-944**
Group companies, associates and business units		-156	-119
Property, plant and equipment, intangible assets, investment property and financial investments		-1,504	-825
Proceeds from disposal:		**15**	**81**
Group companies, associates and business units			51
Property, plant and equipment, intangible assets, investment property and financial investments		15	30
Other cash flows from investment activities:		**-459**	**-272**
Other amounts received/(paid) relating to investment activities		-459	-272
CASH FLOWS FROM FINANCING ACTIVITIES		2,557	883
Proceeds and payments relating to equity instruments:	12		**-1**
Purchases		--	-1
Disposals			
Proceeds and payments relating to financial liability instruments:	14	**1,926**	**1,030**
Proceeds from issues		3,339	2,894
Repayments and redemptions		-1,413	-1,864
Payments of principal on operating leases	6	**-72**	**-63**
Dividends and returns paid on other equity instruments	12	**-46**	**-17**
Other cash flows from financing activities		**749**	**-66**
Other amounts received/(paid) relating to financing activities		749	-66
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		-23	38
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		391	322
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		2,360	2,318
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		2,751	2,640
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE PERIOD END		**2,751**	**2,640**
Cash on hand and at banks		2,334	2,401
Other current financial assets		417	239
TOTAL CASH AND CASH EQUIVALENTS AT THE PERIOD END		2,751	2,640

The accompanying Notes 1 to 23 are an integral part of the consolidated condensed financial statements for the six-month period ended 30 June 2023.

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B. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF ACCIONA, S.A. AND SUBSIDIARIES FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

1. Group activities

Acciona, S.A. (the "Parent Company" or the "Company") and its subsidiaries form the Acciona Group ("Acciona" or the "Group"). Acciona, S.A. has its registered and head office at Avenida de la Gran Vía de Hortaleza 3, 28033 (Madrid).

The Acciona Group companies operate in various industries, chiefly the following:

- Energy: This activity, which is instrumented through the majority shareholding in Corporación Acciona Energías Renovables, S.A. (CAER or Acciona Energía), encompasses the development, construction, operation and maintenance of renewable generating plants and sale of the energy produced. All of the power generated by Acciona Energía is renewable.
- Infrastructure comprises the following activities:
  - Construction: infrastructure projects and turnkey (EPC) projects for power generation plants and other facilities.
  - Water: activities such as the construction of desalination plants, sewage and water treatment plants, and management of the water cycle, an activity spanning the entire process from initial water collection and purification, including desalination, to waste water treatment and its return to the environment after use. The Group also operates service concessions across the whole of the water cycle.
  - Concessions: mainly operation of transport and hospital concessions.
  - Urban and Environmental Services: primarily delivery of Citisen Services.
- Nordex: In March 2023, Acciona increased its interest in Nordex SE to 47.08%, thereby taking control of the Nordex group, which is fully consolidated in the accompanying condensed consolidated financial statements. In accordance with IFRS 8, the Acciona Group treats Nordex SE as an operating segment subject to separate reporting (see Notes 3 and 18). Nordex' principal activity is the design, development, manufacture and sale of wind turbines and turbine components.
- Other activities include fund management and stock broking services, real estate, manufacture of electric vehicles, motorbike sharing, museum interior design, and the provision of other services like facility management and airport handling.

Note 18 *Segment reporting* provides detailed information on the assets, liabilities and operations involved in each of the business activities carried on by the Acciona Group.

Acciona, S.A.'s shares are listed on the continuous market of the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges operated by the Spanish Stock Exchange Interconnection System (SIBE).

2. Basis of presentation and other disclosures

a. Basis of presentation

Pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, all companies governed by the Laws of a member State of the European Union whose stock is listed on a regulated market in any European Union member State must present their consolidated annual accounts for financial years commencing on or after 1 January 2005 in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

The consolidated annual accounts of the Acciona Group for 2022 were prepared by the Directors of the Company at the Board meeting held on 27 February 2023 in accordance with the applicable regulatory financial reporting framework and, in particular, with the principles and criteria contained in the International Financial Reporting Standards (IFRS) adopted by the European Union to present a true and fair view of the Group's equity and consolidated financial position at 31 December 2022, and of the results of its operations, changes in the consolidated statement of comprehensive income and expense, and changes in consolidated equity and consolidated cash flows in the year then ended. The specific consolidation principles, accounting policies and measurement criteria applied are described in Notes 3 and 4 to the 2022 consolidated annual accounts. The consolidated annual accounts for 2022 were approved by the shareholders at their Annual General Meeting held on 20 June 2023.

The consolidated annual accounts of the Acciona Group for 2022 were prepared on the basis of the accounting records kept by the Parent Company and by the other Group companies.

These condensed consolidated financial statements for the six-month period ended 30 June 2023 are presented in accordance with IAS 34 – Interim Financial Reporting and Circulars 1/2008, 5/2015 and 3/2018 issued by the Spanish National Securities Market Commission. They were prepared by the Directors of the Parent Company on 27 July 2023 in accordance with article 12 of Spanish Royal Decree 1362/2007.

In accordance with IAS 34, interim financial information is prepared only in order to update the contents of the most recent consolidated annual accounts prepared by the Group, highlighting new activities, relevant events and circumstances arising in the six-month period without duplicating the information reported in the consolidated annual accounts for the preceding financial year. Accordingly, these condensed consolidated financial statements should be read together with the Group's 2022 consolidated annual accounts to ensure a proper understanding of the information contained herein.

The following amendments to accounting standards came into force in the first half of 2023:

Standards, amendments and interpretations	Description	Mandatory in periods beginning on or after
Adopted by the EU		
Amendments to IAS 1 – Disclosure of Accounting Policies	Amendments providing guidance to help companies adequately decide the information regarding material accounting policies they should disclose in their financial statements.	1 January 2023
Amendments to IAS 8 – Definition of Accounting Estimates	Amendments and clarifications defining what is meant by a change in accounting estimates.	1 January 2023
Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Clarifications related to the recognition of deferred tax when an entity accounts for transactions, such as leases or decommissioning obligations, by recognising both an asset and a liability.	1 January 2023
Amendments to IFRS 17 - Insurance Contracts. Initial Application of IFRS 17 and IFRS 9 – Comparative Information	Amendment of the IFRS 17 transition requirements for insurers simultaneously applying IFRS 17 and IFRS 9 for the first time	1 January 2023
IFRS 17 - Insurance Contracts incorporating amendments	Replaces IFRS 4, and incorporates the principles of recognition, measurement, presentation and disclosure of insurance contracts with the aim that the entity provides relevant and reliable financial information that enables users of the information to determine the effect that insurance contracts have on the financial statements.	1 January 2023
Not adopted by the EU		
Amendments to IAS 12 Income Taxes – Pillar 2 Model Rules	The amendment provides temporary relief from accounting for deferred taxes under IAS 12 arising from the implementation of the international Pillar 2 model rules, in addition to disclosure requirements for affected entities.	1 January 2023

The Group's Directors do not anticipate any significant impacts to arise as a result of the above amendments, since they will be applied prospectively, are related to presentation and disclosure issues and/or refer to matters that are not applicable or material to the Group's operations, with the exception of impacts resulting from the amendments to IAS 12 – Income Taxes related to deferred tax assets and liabilities arising from a single transaction, which reduce the scope of the exemption for initial recognition so that it will no longer apply to transactions resulting in allowable and taxable temporary differences. Accordingly, deferred tax assets and liabilities will henceforth need to be recognised in respect of:

- Right-of-use assets and lease liabilities, and
- Liabilities for dismantling, site restoration and similar obligations, and related amounts recognised as part of the cost of the assets concerned

These deferred tax assets and liabilities were also applied to the comparative figures presented for 2022. The equity impact of application in the condensed consolidated financial statements for the six-month period ended 30 June 2023 was not material taken as a whole.

In connection with the amendments to IAS 12 Income Taxes – Pillar 2 Model Rules, the Company closely follows developments relating to the implementation of international tax reforms introducting minimum global top-up taxes (Pillar 2). In 2023 the International Accounting Standards Board published amendments to IAS 12 providing for a mandatory temporary exception to the recognition of deferred tax assets and liabilities for top-up taxes and requiring additional disclosures in the annual financial statements. However, none of the jurisdictions where the Group operates has enacted or substantially enacted legislation related with the top-up tax, and there has therefore been no impact on the Group's condensed consolidated financial statements for the six-month period ended 30 June 2023.

The accounting policies and criteria used in the preparation of these condensed consolidated financial statements for the six-month period ended 30 June 2023 are consistent with those applied in the consolidated annual accounts for 2022.

All accounting principles and valuation criteria with a material effect on these condensed consolidated financial statements for the six-month period were applied in the preparation thereof.

Unless otherwise indicated, these half-year condensed consolidated financial statements are presented in millions of euros, which is the Acciona Group's functional currency.

b. Management estimates and use of judgement

Certain estimates were made by the Parent Company's Directors in the interim condensed consolidated financial statements in order to measure some of the assets, liabilities, income, expenses and obligations reported. These estimates relate basically to the following:

- Measurement of assets showing evidence of impairment and goodwill, so as to determine any impairment losses thereon
- Fair value measurement of assets acquired and liabilities assumed in business combinations
- Revenue recognition in the construction activity
- Assumptions used in the actuarial estimate of pension liabilities and obligations
- Useful life of property, plant and equipment, investment property and intangible assets
- Assumptions used to measure the fair value of financial instruments
- Likelihood and amount, where applicable, of unquantifiable and contingent liabilities.
- Future cost of facility decommissioning and land restoration
- Corporation tax expense recognised in the interim period on the basis of the Acciona Group's best estimates of the effective tax rate for the annual period and recoverability of recognised deferred tax assets, in accordance with IAS 34
- Incremental borrowing rate used in the measurement of lease contracts and determination of the lease term
- Unbilled power supplied to customers (energy supply business)
- Estimation of net present value (NPV) and investment remuneration receivable on each of the standard facilities (SFs) operated by the Group in Spain under the revised parameters established for the next regulatory half period

These estimates were made on the basis of the best information available to date in relation to the matters analysed. However, future events could make it necessary to change these estimates after 30 June 2023. Any such changes would be made prospectively in accordance with IAS 8, and the effects thereof would be recognised in the consolidated income statements for the years affected in accordance with IAS 8.

There were no significant changes in the estimates made and accounting criteria applied at 31 December 2022 in the six-month period ended 30 June 2023, and no error corrections were required.

The Group's Energy division operates in divers regulated markets and is subject to different laws and legislation in each of the jurisdictions where it maintains a presence, which in certain cases may require it to seek the award of concessions, licences, permits and authorisations to make sales and provide services. Key issues affecting the regulatory framework within which the Group companies operate are described in Note 2 to the consolidated annual accounts for 2022. However, the following regulatory impacts occurred prior to the date of preparation of these condensed consolidated financial statements for the six-month period ended 30 June 2023:

- Spanish Royal Decree Law 5/2023 of 28 June entered into force on 29 June 2023, adopting and extending certain measures in response to the economic and social consequences of the war in Ukraine, the reconstruction of the island of La Palma and other situations of vulnerability; transposing EU Directives on structural changes in commercial companies and on the reconciliation of work and family life for parents and carers; and implementing and enforcing European Union Law.

  This statutory instrument contains an extensive range of economic and social measures. As regards renewables, the RDL brought forward the scheduled review of the parameters applicable to the specific remuneration system for renewable generating assets for the period 2023-2025 providing, in particular, for:

  - a change in the market price calculation method applicable to the banding mechanism for the adjustment of electricity market price deviations, resulting in a significant cut in the market prices proposed in the parameter review for the period, which was published on 28 December 2022;
  - definition of the weighted average value of the basket of electricity market prices for 2023 as the lower of said value, as defined in article 22 of Spanish Royal Decree 412/2014, and the average annual daily and intraday market price for 2023; and
  - a review of the fuel prices applicable to the operating remuneration for the first and second halves of 2023 at facilities where operating costs depend fundamentally on said prices.
- Spanish Green Transition Ministry Order TED/741/2023 of 30 June entered into force on 9 July 2023, updating the remuneration parameters applicable to the 2023-2025 half period on the basis established in Royal Decree Law 5/2023 of 28 June discussed above, applicable as of the start of the regulatory half period commencing 1 January 2023.

In general terms, these measures had no material impact on the Group at 30 June 2023, although the aforementioned Ministerial Order confirms the findings of the analysis carried out as part of the close of accounts at 31 December 2022, which anticipated the end of investment remuneration for wind assets in the course of the current regulatory period while raising the expected investment remuneration of biomass assets in the period.

Coupled with the updated estimates of energy prices over the regulatory lives of the assets based on data published by OMIP, this effect resulted in the recognition in the condensed consolidated financial statements at 30 June 2023 of a liability for the cumulative adjustment of market price deviations associated with the facilities found most likely, at the date of these interim financial statements, to be adversely affected by ejection from the regulatory remuneration regime (see Note 4.2.L to the consolidated annual accounts at 31 December 2022).

c. Contingent assets and liabilities

Note 19 to Acciona Group consolidated annual accounts for the year ended 31 December 2022 presents information on contingent assets and liabilities at said date. There were no material changes in the contingent assets and liabilities of the Acciona Group in the first half of 2023, except as described in Note 13 below.

d. Comparative information

The information contained in these condensed consolidated financial statements with regard to the first half of 2022 and the year ended 31 December 20221 is presented solely and exclusively for the purposes of comparison with the information pertaining to the six-month period ended 30 June 2023.

e. Seasonal nature of the Group's operations

Most of the activities carried on by the Acciona Group companies are not particularly cyclical or seasonal by nature. However, the Group's airport handling activity does have a seasonal component affecting revenue generation, which is concentrated in the summer months. Furthermore, the revenues of some energy division businesses, e.g. wind and hydroelectric generating, also display a certain seasonality. However, this does not significantly affect the comparability of information, and no specific breakdowns in this respect are therefore required in these explanatory notes to the condensed consolidated financial statements for the six-month period ended 30 June 2023.

f. Materiality

In accordance with IAS 34, the Group decided the information to be disclosed in these explanatory Notes in view of the materiality of the items in relation to the condensed consolidated financial statements for the six-month period ended 30 June 2023.

g. Consolidated cash flow statement

The condensed consolidated cash flow statement is prepared applying the indirect method, using the following terms with the meanings specified:

- Cash flows: inflows and outflows of cash and cash equivalents, which are taken to be changes in the value of highly liquid short-term investments.

- Operating activities: the main revenue-producing activities of the company and other activities that are not investing or financing activities. Based on the profit before tax from continuing operations and the adjustment made for *Depreciation and amortisation of assets and changes in provisions and impairment*, transfers of interest paid and received are separately recognised under *Other adjustments to profit (net)*, in addition to the transfer of gains or losses on disposal of assets included under investment activities and, lastly, adjustments made to the profit or loss of companies accounted for using the equity method and, in general, any results that do not generate cash flows.

- Investing activities: acquisition, sale or disposal in any other way of long-term assets or other investments not included in cash and cash equivalents.

- Financing activities: non-operating activities that result in changes in the size and composition of equity and borrowings.

  The following items were treated as *Cash and cash equivalents* in the preparation of the condensed consolidated statement of cash flows: cash and demand deposits at banks, highly liquid current investments that are easily convertible into determinable cash amounts and are not exposed to any significant risk of changes in value.

3. Changes in the structure of the Group

Appendices I, II and III to the consolidated annual accounts of the Acciona Group as at and for the year ended 31 December 2022 provide relevant information on subsidiaries, jointly-controlled entities, associates and joint ventures. Acciona recognises all additions to the Group arising from business combinations applying the acquisition method. The following material changes affecting the consolidation perimeter occurred in the six-month period ended 30 June 2023:

<u>Nordex</u>

The agenda for the Extraordinary General Meeting of the Shareholders of Nordex SE held on 27 March 2023 included, among other matters, a proposal to increase capital, excluding preferential rights of acquisition, by means of the contribution of two outstanding loans made by Acciona, S.A. to Nordex SE, plus accrued interest payable up to 26 March 2023, for a total of €347 million. The Shareholders approved the conversion of these loans at their Extraordinary General Meeting of 27 March 2023 with a majority of 99.25% of the votes cast in favour. This increase raised the interest held by Acciona, S.A. in Nordex SE from 40.97% to 47.08%. This percentage interest is very close to 50%, and together with certain other considerations it therefore affected the assessment of control, so that the Acciona Group was considered to have acquired control of Nordex with effect from 27 March 2023, since when the subsidiary has been fully consolidated in the Group's financial statements.

Aside from the increase in the ownership interest held to almost 50% of share capital, key considerations taken into consideration in this assessment of control over Nordex were the Group's possession of the majority of voting rights given the significant dispersion of ownership and its intense involvement in the financial structure and funding of the subsidiary. With regard to the latter point, the Group disbursed €275 million of the Shareholder loan granted in 2022 in January 2023, thereby materialising the financial support that has been critical to Nordex' ability to raise finance in 2023. This loan was subsequently converted to share capital in the capital increase described above.

On 1 April 2023 (the date of first consolidation adopted for practical reasons), the Acciona Group derecognised the equity accounted interest of 40.97% held in Nordex SE and proceeded, applying the stepwise business combination rules established in IFRS 3, with full consolidation of the new 47.08% interest.

The resulting €260 million gain, which arose from the fair value measurement of the existing 40.97% interest on the basis of the share price of Nordex at 27 March 2023 (€12.67 per share) adjusted for the reclassification of cumulative gains hitherto recognised in *Equity* to *Retained earnings,* was taken to the income statement under *Other gains and losses.*

A detail of this business combination is as follows (expressed in millions of euros):

Company	Cost of acquisition	Percentage interest acquired	Fair value of assets and liabilities acquired	Provisional goodwill
Nordex SE	1,447	47.08%	478	1,222

The cost of acquisition comprises (i) the fair value of the existing 40.07% interest, which was €1,100 million, and (ii) the value of the loans contributed in exchange for the new shares, which was €347 million. In accordance with IFRS 3, the Group has commenced a process of fair value appraisal of the assets and liabilities of Nordex SE for purchase price allocation (PPA) purposes. The fair value appraisal process had not yet been completed at 30 June 2023 and, accordingly, the Group temporarily recognised goodwill of €1,222 million in respect of the difference between the acquisition cost and provisional fair value of the assetse and liabilities identified.

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The provisional fair value of the assets and liabilities of the Nordex SE subgroup at the date of the takeover was as follows (in millions of euros):

	01.04.2023 Nordex SE
Identifiable assets	
Other intangible assets	174
Other non-current assets	1,058
Non-current assets	1,232
Inventories	1,164
Trade and other receivables	807
Other current assets	277
Cash and cash equivalents	518
Current assets	2,766
Total identifiable assets	**3,998**
Identifiable liabilities	
Non-current liabilities	412
Current liabilities	3,108
Total identifiable liabilities	**3,520**
Total net assets (provisional)	478

In accordance with applicable accounting standards, the allocation of identifiable assets and liabilities will be considered final twelve months after the date of acquisition.

The net revenues contributed by the Nordex SE subgroup between the date of the business combination and 30 June 2023 totalled €1,536 million, on which it reported a net loss after tax of €84 million. Had the business combination taken place on 1 January 2023, the net revenues contributed would have totalled €2,753 million, while the net loss would have been €299 million. The functional currency used by Nordex SE is the euro.

Renomar

In April 2023, Acciona Generación Renovable, S.A., a company forming part of the Corporación Acciona Energías Renovables, S.A. subgroup (CAER) agreed to purchase shares representing 50% of the issued capital of Med Wind Energy, S.L., subject to the fulfilment of certain conditions precedent mostly related with regulatory competition issues.

This company's main asset is its 50% equity interest in Energías Renovables Mediterráneas, S.A. (Renomar), which owns 493.5 MW of operational wind assets in the Autonomous Community of Valencia. The other 50% of Renomar's share capital was already owned by CAER and was accounted for using the equity method. As a consequence of the aforesaid acquisition, CAER has indirectly increased its shareholding in Energías Renovables Mediterráneas, S.A. by 25% to 75%, thereby acquiring control.

The acquisition was completed in June 2023, after fulfilment of the conditions precedent. The acquisition price of €118 million has been paid in full. A detail of this business combination is as follows (in millions of euros):

Company	Cost of acquisition	Percentage indirect interest acquired	Provisional fair value of the company's assets and liabilities	Provisional goodwill
Renomar (company 50% owned by Med Wind Energy, S.L.)	118	25.00%	474	--

The provisional fair value of the assets and liabilities of Renomar at the date of the takeover was as follows (in millions of euros):

	Renomar
Identifiable assets	
Other intangible assets	
Other non-current assets	593
Non-current assets	593
Current assets	173
Total identifiable assets	**766**
Identifiable liabilities	
Non-current liabilities	242
Current liabilities	50
Total identifiable liabilities	**292**
Total net identifiable assets	474

In accordance with the stepwise business combination rules established in IFRS 3, the existing shareholding was revalued resulting in a gain of €145 million , which was recognd to income under *Other gains and losses* and included, inter alia, the reversal of margins on internal transactions and reclassification of items recognd directly in equity.

The net revenues contributed by Renomar between the date of the business combination and 30 June 2023 totalled €34 million, on which it reported a net profit after tax of €20 million. Had the business combination taken place on 1 January 2023, the net revenues contributed would have totalled €123 million, while the net profit would have been €74 million.

Solideo

In May 2023, Corporación Eólica Catalana, S.L., a company that is 50% owned by Acciona, S.A. and 50% by CAER, acquired shares representing 70% of the capital Solideo Eco Systems, S.L. and Solideo Energy, S.L. The cost of these acquisitions totalled €26 million.

The Solideo Group is a leading provider of energy self-consumption and efficiency solutions aimed at residential customers and small and medium-sized enterprises. Solideo also markets electricity storage solutions (batteries), EV charging points and air source heat pump (ASHP) solutions. The company's business plan envisages the launch of new business segments, including distributed generating using small-scale installations located close to the point of consumption, creation of solar communities and energy marketing.

Solideo has positioned itself as a leader in the electricity self-consumption market in Catalonia. Its strategic plan for the coming years is based mainly on geographical expansion to extend its reach throughout Spain. The integration of Solideo's business will provide the Group with access to the domesic and SMEs business and will generate significant synergies with other divisions.

A detail of the business combination recognised by Corporación Eólica Catalana, S.L. is as follows (in millions of euros):

Company	Cost of acquisition	Percentage interest acquired	Provisional fair value of the company's assets and liabilities	Goodwill
Solideo Group	26	70.00%	--	26

The provisional fair value of the assets and liabilities of the Solideo Group at the date of the takeover was as follows (in millions of euros):

	Solideo
Identifiable assets	
Other intangible assets	1
Other non-current assets	1
Non-current assets	2
Current assets	14
Total identifiable assets	**16**
Identifiable liabilities	
Non-current liabilities	2
Current liabilities	14
Total identifiable liabilities	**16**
Total net identifiable assets	--

The Acciona Group has recognd goodwill of €26 million (see Note 7) in respect of the difference between the acquisition cost of Corporación Eólica Catalana, S.L. and the fair value of the net assets acquired.

There were no other additions or disposals of significant shareholdings during the six month period ended 30 June 2023 in addition to the transactions described above.

4. Property, plant and equipment

Changes in cost and accumulated depreciation in the first six months of 2022 and 2023 were as follows (in millions of euros):

Property, plant and equipment	Land and buildings	Technical installations and machinery	Advances and PPE under construction	Other PPE	Depreciation	Impairment	Total
Six-month period ended 30 June 2022							
Balance at 31.12.2021	427	13,355	749	247	-6,087	-625	8,066
Changes in the consolidation perimeter							
Additions / Charge for the year	10	71	413	9	-209	-36	258
Retirements		-47	-1	-3	37		-14
Transfers		70	-56	-17	3		--
Other changes	2	481	30	8	-140	-13	368
Balance at 30.06.2022	439	13,930	1,135	244	-6,396	-674	8,678
Six-month period ended 30 June 2023							
Balance at 31.12.2022	566	13,949	1,879	262	-6,547	-624	9,485
Changes in the consolidation perimeter	167	1,690	30		-979		908
Additions / Charge for the year	13	80	763	11	-282	-1	584
Retirements		-34	-4	-5	27	2	-14
Transfers	5	346	-351				--
Other changes		-140	-42	1	51	3	-127
Balance at 30.06.2023	751	15,891	2,275	269	-7,730	-620	10,836

The main movement in the six-month period ended 30 June 2023 consisted of *Changes in the consolidation perimeter* due primarily to the switch to full consolidation of Nordex SE and Energías Renovables Mediterráneas, S.A. (see Note 3).

The principal *Additions* were made in *Advances and PPE under construction*, comprising ongoing investments by the Energy division in wind generating assets located mainly in Australia and Peru, and in solar PV plants in the United States, Spain and the Dominican Republic.

Other significant *Additions* relate to the Acciona Campus, the new Group headquarters.

One wind farm, Mortlake, was commissioned in Australia in the six-month period ended 30 June 2023, as well as the Bolarque PV plant in Spain and the Calabaza PV plant in the Dominican Republic. These changes resulted in transfers from *PPE under construction* to *Technical installations* for a total of €303 million.

Transfers also include a balance of €32 million reclassified to *Technical installations* in respect of the Acciona Campus.

Other changes include net losses on translation differences totalling €127 million in the six-month period ended 30 June 2023, incurred mainly at generating facilities located in the United States, Chile and Mexico, whose financial statements are denominated in US dollars, and at facilities located in Australia and South Africa, due in each case to local currency depreciation against the euro since December 2022 (net gain of €368 million in the six-month period ended 30 June 2022).

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In accordance with its internal procedures, the Group has tracked the yield trends of its main assets throughout the period, assessing fulfilment of or deviations from the main assumptions and estimates underlying the impairment tests carried out at 31 December 2022, as well as relevant regulatory, economic and technological changes arising in the markets where the assets operate, in order to ensure that adequate provisions are set aside for impairments identified in the six months to 30 June 2022. No material issues came to light in this respect in the first half of 2023.

The Group companies had commitments to purchase property, plant and equipment for a total of €980 million at 30 June 2023. All of these commitments were related with Energy division projects for the construction of wind and PV facilities, principally in Australia, the United States, Peru, Croatia and Spain. Commitments at 30 June 2022 totalled €1,203 million and were related with wind and PV assets under construction in the United States, Australia and Peru.

The Group companies capitalised €27 million as increases in the value of property, plant and equipment in the six-month period ended 30 June 2023 (€5 million in the six-month period ended 30 June 2022).

5. Investment property

The Group's investment property consists basically of properties held for lease.

Changes in cost and accumulated depreciation in the first six months of 2023 and 2022 were as follows (in millions of euros):

Investment property	Cost	Depreciation	Impairment	Total
Six-month period ended 30 June 2022				
Balance at 31.12.2021	160	-13	-6	141
Additions	17	-1		16
Retirements	-1			-1
Transfers				--
Other changes				--
Translation differences	1			1
Balance at 30.06.2022	177	-14	-6	157

Investment property	Cost	Depreciation	Impairment	Total
Six-month period ended 30 June 2023				
Balance at 31.12.2022	187	-14	-5	168
Additions	13	-1		12
Retirements				--
Transfers				--
Other changes				--
Translation differences	1			1
Balance at 30.06.2023	201	-15	-5	181

The principal change in the first six months of 2023 was the addition of an office building in Madrid for a total of €13 million upon the completion of construction work.

The Group had no investment property under construction at 30 June 2023 (€76 million at 31 December 2022) and no firm commitments associated with the completion of work.

No impairments were found in the first six months of 2023 based on the Group's analysis of property market trends, and no material losses arose in addition to those already covered by the provisions set aside at 31 December 2022.

The Group had mortgaged a residual part of its investment property at 30 June 2023 to secure bank loans.

6. Leases

6.1 Rights of use

Changes in cost and accumulated amortisation in the first six months of 2023 and 2022 were as follows (in millions of euros):

Rights of use	Land and natural resources	Buildings	Technical installations	Machinery and vehicles	Other RoU	Depreciation	Impairment	Total
				Six-month period ended 30 June 2022				
Balance at 31.12.2021	352	126	101	214	1	-266		528
Changes in the consolidation perimeter								--
Additions / Charge for the year	8	13	2	57		-66		14
Retirements	-2	-21		-14	-1	35		-3
Transfers				-2		1		-1
Other changes	14	4	7	6		-8		23
Balance at 30.06.2022	372	122	110	261	--	-304		561
				Six-month period ended 30 June 2023				
Balance at 31.12.2022	420	148	33	246		-299		548
Changes in the consolidation perimeter	20	163	16		29	-92		136
Additions / Charge for the year	54	36	14	82	4	-87		103
Retirements		-17		-23		20		-20
Transfers	-1	1		-1		-2		-3
Other changes	-4	-1				1		-4
Balance at 30.06.2023	489	330	63	304	33	-459		760

The main leases recognised under this caption in which the Group acts as lessee consist of the lease of land at the site of electricity generating facilities, offices and construction machinery used mainly by the Infrastructure division.

Changes in the consolidation perimeter reflected under the column heading *Buildings* comprise the Nordex manufacturing and warehousing facilities. Meanwhile, the column *Land and natural resources* includes the lease of land at the sites of the wind farms operated by Renomar. The consolidation method applied to each of these companies was changed in the first half of 2023 (see Note 3).

Additions in the first half of 2023 include right-of-use land recognised by the Energy division in connection with solar PV projects in the United States. Rights of use were also recognised in the Infrastructure division in the first half of 2023 in relation to construction machinery and vehicles, in particular for use in contracts related with the construction of Line 6 of the São Paulo Metro in Brazil.

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Retirements recognised in the first half of 2023 comprise mainly expired leases in respect of fully depreciated assets and certain residual amounts under leases terminated in advance.

The Group recognised interest expenses of €19 million and depreciation charges totalling €79 million associated with lease contracts in the consolidated income statement for the six-month period ended 30 June 2023 (€15 and €66 million, respectively, in the six months ended 30 June 2022).

The Group recognised an expense of €103 million in the consolidated income statement for the six-month period ended 30 June 2023 (€48 million at 30 June 2022) associated with leases subject to the exceptions established in IFRS 16 for low-value and short-term leases (i.e. contracts in which the value of the underlying assets when new is less than €5,000, or the lease term is less than twelve months). An expense of €16 million was also recognised in respect of variable rents (€14 million at 30 June 2022).

No impairments were recognised in respect of rights of use in the Group's consolidated income statement for the six-month periods ended 30 June 2023 and 2022.

6.2 Non-current and current lease obligations

The balance of liabilities associated with lease contracts at January and 30 June 2023 and 31 December 2022 was as follows (in millions of euros):

	30 June 2023			31 December 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Lease obligations	108	614	722	72	439	511
Obligations under finance leases (Note 14.a)	11	38	49	12	36	48
Total lease obligations	119	652	771	84	475	559

The main changes in *Lease obligations* in the first six months of 2023 relate to the recognition of liabilities associated with Nordex and Renomar. The former contributed non-current and current lease obligations totalling €146 million and €34 million, respectively, and the latter contributed a further €19 million and €1 million, respectively.

The Group made payments in respect of operating lease obligations totalling €89 million in the first half of 2023, comprising interest of €17 million and principal of €72 million. The Group does not have any lease contracts containing significant residual value guarantees.

7. Goodwill

Goodwill carried in the accompanying consolidated balance sheets at 30 June 2023 and 31 December 2022 was as follows (in millions of euros):

	Balance at 30.06.23	Balance at 31.12.22
Geotech Holding Subgroup	103	107
Acciona Facility Services Subgroup	54	54
Acciona Agua Subgroup	28	28
Silence (Scutum Logistic, S.L.)	17	17
Bestinver Subgroup	19	19
Andes Airport Service, S.A.	15	15
Acciona Cultural Engineering Subgroup	9	9
Nordex Subgroup	1,222	
Solideo Subgroup	26	
Total	1,493	249

No matters have arisen in relation to the goodwill carried in the balance sheet at 31 December 2022 which might indicate that the hypotheses and assumptions considered at the time of purchase price allocations had changed significantly at 30 June 2023 and that it might therefore have been necessary to update the impairment tests carried out in 2022.

The updated impairment tests carried out on the different subgroups in 2022 did not reveal any need to recognise impairments.

Goodwill was recognised on two occasions in the first half of 2023, comprising €1,222 million following the first full consolidation of Nordex SE and €27 million after the acquisition of Solideo Eco Systems, S.L. and Solideo Energy, S.L. in May 2023 (see Note 3).

Translation differences resulting in net exchange losses of €3.4 million were recognised at 30 June 2023 (net gain of €0.1 million at 31 December 2022), basically due to fluctuations in the exchange rates of the Chilean peso, Mexican peso and Australian dollar.

The policies applied by the Acciona Group to impairment testing of intangible assets, property, plant and equipment, and goodwill are described in Note 4.2 F) of the consolidated annual accounts as at and for the financial year ended 31 December 2022.

8. Other intangible assets

Changes in cost and accumulated amortisation in the first six months of 2023 and 2022 were as follows (in millions of euros):

Other intangible assets	Develop-ment	Concessions	Computer software	Advances	Other	Amortisa-tion	Impair-ment	Total
Six-month period ended 30 June 2022								
Balance at 31.12.2021	37	677	103	25	98	-482	-5	453
Changes in the consolidation perimeter	1	12				-2		11
Additions / Charge for the year	3	2	6	5		-32		-16
Retirements								--
Transfers								--
Other changes		20			1	-6		15
Balance at 30.06.2022	41	711	109	30	99	-522	-5	463
Six-month period ended 30 June 2023								
Balance at 31.12.2022	50	809	133	16	98	-558	-3	545
Changes in the consolidation perimeter	546	1	13	2	159	-540		181
Additions / Charge for the year	15	9	8	2	1	-48		-13
Retirements				-2	-46	44		-4
Transfers		-2						-2
Other changes		9				2		11
Balance at 30.06.2023	611	826	154	18	212	-1,100	-3	718

Changes in the consolidation perimeter reflect additions arising principally upon first consolidation of Nordex SE (see Note 3). The amounts recorded by Nordex under this heading comprise mainly development expenses and upgrades for Delta generation wind turbines.

Additions include R&D expenses capitalised in the period for a total of €15 million, mostly by Scutum Logistic, S.L., as well as purchases of computer software for €8 million made in the context of the ongoing process of digitisation and investment in new technologies.

Other changes comprise basically translation differences arising in the six-month period ended 30 June 2023, resulting in a net gain of €9 million on US dollar and Mexican peso balances (net gain of €16 million euros in the six months to 30 June 2022).

Retirements comprise basically the assets amounting to €40 million assigned to the CEI Subgroup backlog at the time of its acquisition, which were fully amortised in 2023.

Concessions at 30 June 2023 and 31 December 2022 were as follows (in millions of euros):

Concessions	30.06.23				31.12.22			
	Cost	Amortisation	Impairment	Total	Cost	Depreciation	Impairment	Total
Administrative concessions	452	-184	-4	264	439	-169	-3	267
Service concessions (IFRIC 12)	374	-219		155	370	-210		160
Total	826	-403	-4	419	809	-379	-3	427

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Concessions mainly comprise concession assets where the risk of recovery is assumed by the Group as operator. These concession activities are undertaken through investments in transport and water supply infrastructure except in the Energy division, where balances reflect the cost of administrative concessions to operate hydroelectric plants, and expectant rights and identifiable intangible assets related with future renewables projects acquired from third parties through the purchase of shares in companies holding these rights in business combinations.

No significant impairments were recognised at 30 June 2023 and 31 December 2022 and there were no impairment losses that were not covered by existing provisions.

The Group companies had commitments to acquire intangible assets for Water division concession projects totalling €3 million at 30 June 2023 (€3 million at 31 December 2022).

9. Non-current and current financial assets, and investments accounted for using the equity method

9.1 Non-current and current financial assets

A breakdown of non-current and current financial assets carried in the consolidated balance sheet at 30 June 2023 and 31 December 2022, presented by type and category for measurement purposes, is as follows (in millions of euros):

30.06.23

Financial Assets Type / Category	Financial Assets recognised at fair value with changes in profit or loss	Financial assets at fair value with changes in the consolidated statement of recognised income and expense	Financial assets carried at amortised cost	Hedging derivatives	Total
Equity instruments	68	--			68
Debt securities					
Derivatives				6	6
Other current financial assets			129		129
Long-term / Non-current	68	--	129	6	203
Equity instruments	3				3
Other loans and receivables			77		77
Derivatives				10	10
Other current financial assets			260		260
Short-term / Current	3	--	337	10	350
Total	**71**	--	**466**	**16**	**553**

31.12.22

Financial Assets Type / Category	Financial Assets recognised at fair value with changes in profit or loss	Financial assets at fair value with changes in the consolidated statement of recognised income and expense	Financial assets carried at amortised cost	Hedging derivatives	Total
Equity instruments	49	--			49
Debt securities					
Derivatives				53	53
Other current financial assets			161		161
Long-term / Non-current	49	--	161	53	263
Equity instruments	11				11
Other loans and receivables			144		144
Derivatives				12	12
Other current financial assets			148		148
Short-term / Current	11		292	12	315
Total	60	--	453	65	578

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Other non-current and current financial assets reflect mainly loans granted to equity accounted companies, and guarantee deposits made by the Group, which include the guarantees extended by the Group company Acciona Green Energy Developments, S.A. to operate in the daily and future electricity trading markets. The guarantee deposits extended by Acciona Green Energy Developments, S.A. and recognised under *Other current financial assets* increased by €58 million in the first half of 2023.

The line *Other loans and receivables* reflects occasional investments and short-term deposits as well as funds allocated by the Energy division and the Concession business to debt service reserve accounts in accordance with the terms of the project finance agreements in force, in order to ensure due performance of upcoming debt repayments.

No material impairment losses arose in respect of non-current and current financial assets in the first six months of 2023.

9.2 Investments accounted for using the equity method

Changes in this line of the consolidated balance sheet in the first six months of 2023 and 2022 were as follows (in millions of euros):

Direct and indirect investments	Balance at 31.12.21	Share in profit/(loss) before tax	Dividend	Tax effect	Changes in the consolidation permiter and contributions	Other changes	Balance at 30.06.22
Direct investments of the Parent Company							
Nordex SE	847	-108		5	139	-28	855
Subtotal, direct investment	847	-108	--	5	139	-28	855
Indirect investments of the Parent Company							
Indirect investments of the Acciona Energía Subgroup	251	27	-42	-9	3	15	245
Indirect investments of the Ceatesalas Subgroup	49	33	-14	-10	-4	56	110
Indirect investments of the Acciona Construcción Subgroup	4					9	13
Indirect investments of the Acciona Concesiones Subgroup	58	8	-1	-2	102	18	183
Indirect investments of the Acciona Agua Subgroup	101	11	-2	-3		22	129
Indirect investments of the Acciona Inmobiliaria Subgroup	14				7	-1	20
Other	1				29		30
Subtotal, indirect investment	478	79	-59	-24	137	119	730
Total	**1,325**	**-29**	**-59**	**-19**	**276**	**92**	**1,585**

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Direct and indirect investments	Balance at 31.12.22	Share in profit/(loss) before tax	Dividend	Tax effect	Changes in the consolidation permiter and contributions	Other changes	Balance at 30.06.23
Direct investments of the Parent Company							
Nordex SE	877	-103		-11	-763		--
Other direct investments	62	-1		-	-33		28
Subtotal, direct investment	939	-104		-11	-796		28
Indirect investments of the Parent Company							
Indirect investments of the Acciona Energía Subgroup	310	52	-4	-11	-155	-6	186
Indirect investments of the Ceatesalas Subgroup	110	16	-24	-4		6	104
Indirect investments of the Acciona Construcción Subgroup	13					-1	12
Indirect investments of the Acciona Concesiones Subgroup	199	25	-1	-7	-1	10	225
Indirect investments of the Acciona Agua Subgroup	135	14	-1	-3		5	150
Indirect investments of the Acciona Inmobiliaria Subgroup	20						20
Other	4					-2	2
Subtotal, indirect investment	791	107	-30	-25	-156	12	699
Total	**1,730**	**3**	**-30**	**-36**	**-952**	**12**	**727**

On 27 March 2023, the Extraordinary General Meeting of Nordex SE approved a proposed in-kind capital increase excluding preferential subscription rights instrumented by means of the contribution of two outstanding loans granted by Acciona, S.A. to Nordex SE, plus accrued interest payable to 26 March 2023. As a result of this operation, Acciona, S.A. increased its ownership interest in Nordex SE from 40.97% to 47.08%. The increase is reflected under *Changes in the consolidation perimeter* because it resulted in a change in the consolidation method applied to the subsidiary. On 1 April 2023 (the date of first consolidation adopted for practical reasons), the Acciona Group derecognised its 40.97% interest in Nordex SE, the only non-analogous investment consolidated using the equity method, and recognised the new 47.08% interest, which was fully consolidated (see Note 3).

Furthermore, the Acciona Group acquired 50% of Nordex H2M S.L. from Nordex in December 2022. This investment was split equally between Acciona Energía and Acciona, S.A., while Nordex SE retained the other 50% of the company. As a result, Nordex H2, S.L. was consolidated using the equity method both by Acciona and by Nordex. Following the acquisition of control over Nordex SE, however, Nordex H2, S.L. has been fully consolidated.

Changes in the consolidation perimeter relating to the Energy division reflect the acquisition of 50% of the share of Med Wind Energy, S.L., which is in turn the owner of a 50% equity interest in Energías Renovables Mediterráneas, S.A. (see Note 3). As a consequence of this acquisition, the Group has indirectly increased its investment in Energías Renovables Mediterráneas, S.A. to 75% of share capital through the Energy subgroup, and the formerly equity accounted company has now been fully consolidated. Shares held by various Group companies in the associates Desarrollo de Energías Renovables de Navarra, S.A., Parque Eólico Cinseiro, S.L. and Explotaciones Eólicas Sierra de Utrera, S.L. were also sold in the six-month period ended 30 June 2023.

Changes in the perimiter and contributions also include additional capital contributions and reimbursements in companies in which the Group already held investments. These movements did not result in any changes in the percentage interests held.

Other changes reflects variations due to derivatives, translation differences, and the effect of reclassifying loss-making investments accounted for using the equity method as constructive obligations recognised under *Non-current provisions*. No gains or losses were recognised in respect of implicit obligations in the first six months of 2023 (€7 million at 30 June 2022).

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10. Other non-current assets

Other non-current assets at 30 June 2023 and 31 December 2022 were as follows (in millions of euros):

	30.06.23	31.12.22
Non-current trade receivables	408	376
Derivatives	161	112
Non-current prepayments and accrued income receivable	26	20
Concessions under the non-current financial asset model	49	37
Total other non-current assets	644	545

Non-current trade receivables at 30 June 2023 and 31 December 2022 comprise basically amounts recognised at amortised cost due from customers and other trade receivables generated in the course of operations maturing in more than one year, as well as amounts withheld by way of guarantee, as is customary in the construction business. The main changes in this account in the first half of 2023 relate to the full consolidation of Nordex SE as a subsidiary of the Acciona Group, which resulted in the contribution of non-current trade receivables totalling €35 million, mainly in respect of balances due under maintenance contracts entered into as part of the subgroup's services activity.

The Energy division recognises the fair value of energy derivatives in different countries through *Derivatives*, mainly comprising:

- €24.8 million representing measurement of designated hedges entered into in Spain by the Group's energy trading affiliate in relation to forward energy purchases settled by differences, which are contracted to hedge the price risk on fixed price energy sales contracts with customers (€34.1 million at 31 December 2022);
- €101.3 million representing the fair value of commodities derivatives contracted by certain Australian subsidiaries of the Group for the future supply of a specified volume of power at a fixed price. These contracts are marked to market (€59.6 million at 31 December 2022); and
- €16.5 million representing the fair value of a commodities derivative contracted by a Chilean subsidiary for the future supply of a specified volume of power to a customer at an index-linked fixed price. The contract is marked to market and the resulting changes in fair value are recognised through *Profit/(loss) from changes in value of financial instruments at fair value* in the consolidated income statement (€13.8 million at 31 December 2022).

- €18.3 million representing the fair value of commodities derivatives contracted by certain US subsidiaries of the Group for the future supply of a specified volume of power at a fixed price. These contracts are marked to market and the resulting changes in fair value are recognised through *Profit/(loss) from changes in value of financial instruments at fair value* in the consolidated income statement.

Concessions under the non-current financial asset model at 30 June 2023 and 31 December 2022 include the balance receivable beyond one year on concessions treated as financial assets in accordance with IFRIC 12, given the existence of an unconditional right to compensation for the investment made to date. The current portion of this unconditional right was recognised in *Trade and other receivables* on the basis of the amounts expected to be received from the grantors of the concessions under the different economic and financial plans. The balance classified as current was €7 million at both 30 June 2023 and 31 December 2022. The principal project in the concessions activity is the operation of a hospital in Mexico by Hospital de León Bajío, S.A. de C.V. The balance receivable in this respect is €35 million.

Finally, the Group companies have commitments to acquire concession assets under the financial assets model totalling €523 million at 30 June 2023, mainly in connection with the Hospital de la Serena concession project in Chile and two electricity transmission grid concession projects recently awarded to the Acciona Group in Peru (commitments totalled €22 million at 31 December 2022).

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11. Inventories

The balance of Inventories at 30 June 2023 was €2,903 million (€1,386 million at 31 December 2022), mainly comprising inventory properties with a net carrying amount of €1,091 million (€933 million at 31 December 2022), presented net of provisions totalling €298 million (€298 million at 31 December 2022). The inventories contributed by Nordex following the switch to full consolidation (see Note 3) comprise mainly raw materials, semi-finished and finished products, and the carrying amounts of work in progress relating to turbine supply agreements entered into under terms that require income recognition based on contractual milestones.

The increase in the balance of inventory property was driven by the intense real estate development activity undertaken by the Group, resulting in the acquisition of land in Spain at a cost of €51 million in the first six months of 2023. Meanwhile, the cost of developments in progress increased by €102 million.

Finished developments were sold for a net total of €11 million in the first six months of 2023, mainly in Portugal and Spain.

Translation differences in respect of inventory property resulted in the recognition of gains of €19 million at 30 June 2023, mainly as a result changes in the Mexican peso exchange rate (€13 million at 30 June 2022).

The Group had mortgaged inventories with a net carrying amount of €293 thousand at 30 June 2023 to secure bank loans. The net carrying amount of mortgaged inventory properties was €334 thousand at 31 December 2022, mostly comprising property developments.

Commitments to sell property developments to customers totalled €545 million 30 June 2023 (€441 million at 31 December 2022).

Based on the Group's analyses of trends in the different real estate markets in which it operates (basically Spain, Poland, Mexico and Portugal), no significant changes or evidence of additional impairment were found in the first half of 2023, and the carrying amounts of inventory properties as measured at 31 December 2022 were therefore not updated.

The Group had various commitments to purchase land in Spain, subject to various conditions precedent, for a total of €33 million at 30 June 2023 (€47 million in respect of land in Spain at 31 December 2022).

12. Equity

12.1 Subscribed and registered share capital

The Parent Company's share capital is represented by 54,856,653 fully paid-up ordinary shares with a face value of 1 euro each, represented by book entries. All of the Parent Company's shares confer the same rights and all are listed on the stock exchange.

Based on the notices received by the Company, the owners of significant direct and indirect equity interests at 30 June 2023 and 31 December 2022 were as follows:

	30.06.23	31.12.22
Tussen de Grachten, BV	29.02%	29.02%
Wit Europesse Investering, BV	26.10%	26.10%
BlackRock, INC	3.15%	3.02%

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12.2 Share premium and reserves

The share premium and reserves at 30 June 2023 and 31 December 2022 were as follows (in millions of euros):

	30.06.23	31.12.22
Share premium	170	170
Legal reserve	11	11
Redeemed capital reserve	13	13
Statutory reserve	852	845
Capitalisation reserve, Spanish Law 27/2014	44	44
Voluntary reserves	2,947	3,124
Consolidated reserves	793	424
Subtotal, reserves	4,661	4,461
Translation differences	-190	-225
Total	**4,641**	**4,406**

The balance of €170 million on the Share Premium account at 30 June 2023 (€170 million at 31 December 2022) arose as a result of capital increases carried out with share premiums on various dates in the past. The Consolidated Text of the Spanish Corporate Enterprises Act expressly allows use of the balance on the share premium account to increase share capital and does not establish any specific restrictions as to the use of said balance.

The legal reserve, to which transfers must be made until the balance is equal to 20% of share capital, can be used to increase capital provided that the remaining balance is not less than 10% of share capital after the increase. Otherwise, the legal reserve can only be used to offset losses provided that sufficient other reserves are not available for this purpose, until the balance exceeds 20% of share capital.

Companies are also required to set aside a capitalisation reserve in accordance with article 25 of the Spanish Corporate Income Tax Act (Law 27/2014 of 27 November). Appropriations to this reserve are restricted for the following five years, whereafter they become freely distributable.

12.3 Treasury shares

Changes in treasury shares in the six-month periods ended 30 June 2023 and 2022 were as follows (in millions of euros):

	30.06.23		30.06.22	
	Number of shares	Millions of euros	Number of shares	Millions of euros
Opening balance	167,109	17	206,199	18
Additions	634,422	111	815,546	139
Retirements	-634,044	-112	-807,931	-137
Liquidity contract movements	378	-1	7,615	2
Additions				
Retirements	-47,358	-3	-45,106	-3
Other movements	-47,358	-3	-45,106	-3
Total	**120,129**	**13**	**168,708**	**17**

On 2 July 2015 Acciona, S.A. subscribed a liquidity contract with the Group company Bestinver Sociedad de Valores, S.A. for the management of its treasury stock. This contract was cancelled and replaced by a new agreement with the same management entity on 10 July 2017, to which a total of 44,238 shares and cash of €3,340,000 were allocated. Trading in the Company's shares by Bestinver within the framework of this contract is transacted entirely on the Spanish stock exchanges in order to ensure liquidity and the stability of the share price.

Transactions carried out under the liquidity contract in the first six months of 2023 resulted in a loss of €0.9 million, which was recognised under *Retained earnings* (profit of €0.7 million at 30 June 2022).

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A total of 47,358 treasury shares were retired in the six-month period ended 30 June 2023 (45,106 shares in the period to 30 June 2022) under the Share Awards Plan and the Variable Remuneration Replacement Plan for senior executives of the Company, and under the Shareholder Plan applicable in general to all employees resident in Spain for tax purposes (see Note 23). The profit recognised in *Retained earnings* on these operations amounted to €5.4 million (€4.2 million at 30 June 2022).

12.4 Translation differences

Translation differences arising in the six-month period ended 30 June 2023 led to an increase in equity of €35 million compared to 31 December 2022, due primarily to transfers to the income statement made in respect of foreign exchange losses incurred by Nordex SE prior to the change in the consolidation method (see Note 3).

12.5 Valuation adjustments

- Cash flow hedges

This heading, included under *Retained earnings* in the condensed consolidated balance sheet, reflects the amount of changes in the fair value of financial derivatives designated as cash flow hedges, net of tax effects.

Changes in valuation adjustments in the six-month period ended 30 June 2023 were as follows:

	Changes from 1 January to 30 June 2023	Changes from 1 January to 30 June 2022
Opening balance	216	-41
Valuation adjustments in the year	54	198
Gross	71	264
Tax effect	-17	-66
Transfers to profit/(loss) for the period	-95	2
Gross	-125	2
Tax effect	30	-1
Total	175	158

13. Non-current and current provisions

These provisions cover the potential liabilities that could arise from outstanding litigation, appeals, disputes and obligations at the reporting date, according to the best estimates made by the Directors of the Parent Company.

Note 19 to the consolidated annual accounts for the year ended 31 December 2022 outlines the main litigation facing the Group at that date. The main change in this account in the first half of 2023 relates to the full consolidation of Nordex SE as a subsidiary of the Acciona Group, which resulted in the contribution of non-current provisions totalling €85 million, primarily set aside in respect of guarantees. Provisions for guarantees mostly cover the risk of possible claims for damages resulting from services provided and projects undertaken by the Nordex segment, including both one-off and serial damages, as well as legal guarantees. Guarantees are generally granted for a period of two years after ownership of wind turbines is transferred, and in certain cases for a period of five years. There were no other material changes in the six-month period ended 30 June 2023.

The main change in current provisions in the first half of 2023 arose from the first full consolidation of Nordex SE, which contributed a balance of €211 million consisting primarily of provisions for current guarantees.

With regard to the current legal situation of the Ter-Llobregat water supply management agreement, the Spanish Supreme Court turned down the appeals filed by Acciona Agua, S.A. and the Regional Government of Catalonia on 20 February 2018, as well as the separate motions filed by Aguas de Barcelona, S.A., thereby upholding the judgement handed down by the High Justice Court of Catalonia on 22 July 2015 and setting aside the award of the concession by the regional administration on grounds solely attributable to the Regional Government of Catalonia.

On 1 April 2019, the Catalan Regional Government proposed a provisional final settlement offering to pay compensation of €53.8 million to ATLL Concessionària de la Generalitat de Catalunya, S.A. (in liquidation) (ATLL onwards).

The Catalan Regional Government eventually made a final settlement proposal on 13 March 2020, in which it offered to pay compensation of €56.9 million to ATLL, an amount that is very significantly below the quantum claimed by the company.

The concession operator opposed the proposed settlement, in short because the High Court of Justice of Catalonia had found the contract null and void rather than terminated in its Decision of 19 November 2018. Based on expert reports prepared by external advisors, the Company has quantified the amount arising under clause 9.12 of the concession contract at €301 million euros, and the damages incurred at €795 million. In this regard, the Company filed suit in the judicial review division of the High Court of Justice of Catalonia on 18 November 2020 against the Resolution of the Regional Minister of Territory and Sustainability approving the final settlement of the contract, claiming the sum of €1,064 million plus default interest.

The High Court of Justice of Catalonia issued its judgment on 15 December 2022 upholding the concession operator's appeal against the final settlement and ordering the Catalan Regional Government to pay the sum of €304.4 million plus interest. This ruling therefore accepts the concession operator's claim for constructive damages in its entirety but turns down the claim for loss of profits.

The ruling therefore recognises the concession operator's right to receive an amount of €262.8 million in respect of the unamortised concession royalty, €38.2 for unamortised investments and €3.4 million for tender costs, as well as interest accruing at the legal rate on the principal due. A total of €31.3 million has already been paid in respect of the aforementioned amounts, but the Catalan Regional Government had yet to settle the outstanding remainder at the date of these condensed consolidated financial statements.

The aforementioned decision has been appealed by the parties.

The Parent Company's directors consider that the final outcome of the proceedings described above will not result in any outflow of resources for the Group or any loss of assets.

Finally, Acciona, S.A. appears as a defendant together with Acciona Construcción, S.A. and the other shareholders of its investee Infraestructuras y Radiales S.A. (IRASA, the sole shareholder of Autopista del Henares S.A.C.E., operator of the R-2 toll motorway concession in the Autonomous Community of Madrid), in an action brought by divers investment funds claiming to be the current holders of IRASA's bank debt, who have demanded the payment of €567 million (approximately €142 million from the Acciona Group) as compensation for alleged breaches of shareholder undertakings. The Court issued its judgment turning down the claim in its entirety and ordering the claimants to pay costs in July 2022. The claimants have appealed this decision and the proceedings continue in accordance with Spanish procedural law. The Group considers it unlikely that the appeal filed by the claimants will prosper and no provision has therefore been made.

The Directors of Acciona, S.A. consider that the risk of further liabilities' arising in addition to the amounts already recognised is remote, and that any such would not have a material impact on the condensed consolidated financial statements for the six-month period taken as a whole or result in any loss for the Group.

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14. Interest-bearing debt

A detail of financial liabilities by type at 30 June 2023 and 31 December 2022 is as follows (in millions of euros):

30.06.23

Financial Liabilities Type / Category	Debts and accounts payable	Derivatives	Total
Bank borrowings	3,704		3,704
Debentures and other marketable securities	3,709		3,709
Derivatives		10	10
Long-term debts / Non-current liabilities	7,413	10	7,423
Bank borrowings	900		900
Debentures and other marketable securities	1,077		1,077
Derivatives		44	44
Short-term debts / Current liabilities	1,977	44	2,021
Total	9,390	54	9,444

31.12.22

Financial Liabilities Type / Category	Debts and accounts payable	Derivatives	Total
Non-current bank borrowings	2,618		2,618
Debentures and other marketable securities	3,101		3,101
Derivatives		6	6
Long-term debts / Non-current liabilities	5,719	6	5,725
Current bank borrowings	552		552
Debentures and other marketable securities	1,139		1,139
Derivatives		1	1
Short-term debts / Current liabilities	1,691	1	1,692
Total	**7,410**	**7**	**7,417**

14.1 Bank borrowings

At 30 June 2023 and 31 December 2022, recourse and non-recourse bank borrowings, in the latter case consisting of debt that is not secured against corporate guarantees so that recourse is limited to the debtor's cash flows and assets, were as follows (in millions of euros):

	30.06.23		*31.12.22*	
	Current	*Non-Current*	*Current*	*Non-Current*
Mortgage loans to finance non-current assets	1	1	1	1
Mortgage loans tied to property developments				--
Project finance	75	342	50	332
Obligations under finance leases	11	38	12	36
Other debts with limited recourse	1	2	1	3
Non-recourse bank borrowings	88	383	64	372
Other bank loans and overdrafts	856	3,331	489	2,252
Recourse bank borrowings	856	3,331	489	2,252
Total bank borrowings	**944**	**3,714**	**553**	**2,624**

The Group's loans and credit facilities bore interest at market rates in the first half of 2023 and in the year ended 31 December 2022.

At 30 June 2023 and 31 December 2022, neither Acciona, S.A. nor any of its significant subsidiaries were in breach of any financial or other obligations that might trigger an event of default leading to the acceleration of borrowings.

There were no defaults or other breaches of the terms of bank borrowings affecting principal, interest or repayments in the first six months of either 2023 or 2022.

Current and non-current project finance increased by a net €35 million in 2023 after scheduled repayments on loans of this kind and the cancellation of two project finance facilities for a total of €13 million, which have been refinanced out of corporate debt. This growth was due primarily to the increment in the investment held in Renomar and subsequent full consolidation of the subsidiary, including 100% of its non-recourse debt.

The main change in recourse debt in the first half of 2023 was the net increase of €1,446 million in *Other bank loans and overdrafts* resulting from the utilisation of loans in Australian dollars arranged by the subsidiaries of Acciona Energía in December 2022 (approximately €700 million), overdraft facilities arranged by Acciona Energía Financiación Filiales, S.A. (approx. €400 million), and bilateral and syndicated loans and facilities arranged by Acciona Financiación Filiales, S.A., its Australian affiliate and Acciona, S.A. (approx. €270 million). Nordex also contributed some €80 million to the net increase described.

Key financing operations arranged in the six-month period ended 30 June 2023 included various bilateral facilities arranged by Acciona Financiación Filiales, S.A. and Acciona Energía Financiación Filiales, S.A., among them a multi-currency credit facility with a limit of JPY 22,500 million (approximately €150 million) and a term of three years with the option of extension for an additional two years, which was signed on 31 March.

On 19 December 2022, the Australian affiliates Acciona Financiación Filiales Australia Pty Ltd. and Acciona Energía Financiación de Filiales Australia Pty Ltd. arranged two syndicated facilities (one “sustainability linked” and one “green” facility) for AUD 225 and AUD 400 million, respectively, each with a term of three years. Both of these operations are split into a term-loan and a revolving facility tranche.

Finally, the affiliate MacIntyre Wind Farm Pty. Ltd. arranged a “green” loan with six banks on 30 December 2022 for an amount of more than AUD 1,000 million with a term of approximately 16 years backed by the new “green policy” issued by the Spanish export credit insurance organisation CESCE. The drawdown period for this loan is 24 months, and the funds awarded are to be used for the construction of the MacIntyre wind farm in Queensland (Australia).

The affiliate Acciona Energía Financiación de Filiales, S.A. entered into a facility agreement for a total of €2,500 million with a syndicate of banks on 26 May 2021, which was secured by the affiliate’s parent, Corporación Acciona Energías Renovables, S.A. This facility was split into three parts, comprising tranches A and B for a maximum amount of €1,000 million each, and tranche C for a maximum amount of €500 million. Tranches A and B are structured as term loans, so that any prepayments made will no longer be available for future utilisation (loan format). Tranche A has been repaid in its entirety. Tranche B, meanwhile, is a term loan with an extended drawdown period expiring in May 2024. A prepayment of €250 million has been made on the principal utilised, which may not be drawn down a second time. Accordingly, the available limit on Tranche B is €750 million, maturing 26 May 2024. Tranche C, however, is structured as an overdraft facility, i.e. the amounts repaid may be utilised again until the end of the drawdown period, which is the same as the term of the facility, initially maturing 26 May 2026. On 14 June 2022, the lenders unanimously agreed to accept the application for extension of tranche C, however, and a new maturity date of 26 May 2027 was set. Once again on 21 June 2023, the lenders unanimously agreed to the extension of tranche C for an additional twelve months. The new maturity date for this tranche is therefore 26 May 2028.

Meanwhile, the affiliate Acciona Financiación Filiales, S.A. entered into an €800 million facility agreement with a syndicate of banks on 26 May 2021, again secured by the affiliate’s parent, Acciona, S.A. The loan was split into Tranche A for a maximum amount of €200 million, structured as a term loan with drawdown period, and Tranche B for a maximum of €600 million, structured as an overdraft facility. Both tranches initially matured on 26 May 2026, but in line with the agreement mentioned in the previous paragraph, on 14 June 2022 the lenders unanimously consented to the extension of Tranche B and a new maturity date of 26 May 2027 was set. Once again on 21 June 2023, the lenders unanimously agreed to the extension of tranche B for an additional twelve months. The new maturity date for this tranche is therefore 26 May 2028.

The purpose of these syndicated loans was to prepare the financial structure of both companies for the renewable energy subgroup's IPO, providing Corporación Acciona Energías Renovables, S.A. with the necessary resources to ensure its financial independence as a listed company and enabling it to repay the debts owed by its affiliates to Acciona Financiación Filiales, S.A.

Borrowings by the real estate business are classified as current liabilities in view of the production cycle of the inventory properties they are used to finance, even though some of these liabilities fall due in over twelve months.

At 30 June 2023, the Group companies had additional unused financing available for utilisation amounting to €3,560 million, basically under working capital facilities. Group management considers that the amount of these facilities and ordinary cash generation, as well as the realisation of current assets, will sufficiently cover all current obligations.

14.2 Debentures and other marketable securities

Outstanding debt securities issued by the Parent and Group companies at 30 June 2023 and 2022, and changes in the balance in the first half of each year, were as follows:

	30.06.23				
(Millions of euros)	Balance at 31.12.2022	Issues	Repurchases and redemptions	Adjustments for exchange rates, changes in the consolidation perimeter and other items	Balance at 30.06.2023
Debt securities issued in a member State of the European Union, subject to registration of a prospectus (recourse debt)	3,857	3,291	-2,777	45	4,417
Other debt securities issued in a non-EU member state (recourse debt)	188		-4	1	185
Other debt securities issued in a non-EU member state (non-recourse debt)	195		-7	-4	184
Total, current and non-current	4,240	3,291	-2,788	42	4,786

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(Millions of euros)			30.06.22		
(Millions of euros)	Balance at 31.12.2021	Issues	Repurchases and redemptions	Adjustments for exchange rates, changes in the consolidation perimeter and other items	Balance at 30.06.2022
Debt securities issued in a member State of the European Union, subject to registration of a prospectus	3,834	3,122	-2,106	16	4,866
Other debt securities issued in a non-EU member state	196		-7	18	207
Total, current and non-current	4,030	3,122	-2,113	34	5,073

Note 20 b) to the consolidated annual accounts for the year ended 31 December 2022 describes the debt issues presented under this heading.

The main change in the first half of 2023 arose in *Debt securities issued in a member State of the European Union, subject to registration of a prospectus (recourse debt)*, following the issue of long-term bonds under the Euro Medium Term Note (EMTN) programme and promissory notes under the Euro Commercial Paper (ECP) programme registered by Acciona Financiación Filiales, S.A. and Acciona Energía Financiación Filiales in Euronext Dublin (the Irish stock exchange).

The change relates primarily to the third Acciona Energía green bond issue carried out in by Acciona Energía Financiación Filiales April under the EMTN programme for a total of €500 million. The annual coupon on the bond was set at 3.75%, representing a yield of 3.87% (issue price: 99.276%). This issue is structured within the Acciona Group’s green financing framework, which is fully aligned with the European Union’s taxonomy of sustainable activities and the requirements of the EU green bond standard.

The ECP and EMTN programmes registered by Acciona Financiación Filiales, S.A. and Acciona Energía Financiación Filiales, S.A. have been renewed each year for consecutive twelve-month periods since they were first launched, most recently in April 2023 in the case of the Acciona Financiación Filiales, S.A. programmes and in July in the case of the Acciona Energía Financiación Filiales, S.A. programmes. The renewal of these programmes will allow issues of both promissory notes and bonds secured by ACCIONA and CAER until April and July 2024, respectively.

No bonds convertible into shares were issued in the first six months of 2023, and no issues granted rights or privileges that might, in the event of a contingency, make them convertible into shares of the Parent Company or of any of the Group companies, except as explained in the next paragraph.

Nordex SE issued green bonds convertible into shares of the company in April 2023 for a total of €333 million maturing 14 April 2030. The benchmark share price at the date of the issue was €12.10 and a 30% conversion premium was set. Based the conversion price (€15.73 per share) and the amount of the issue, conversion of all the convertible bonds would result in the delivery of a total 21.2 million shares. The issue bears a coupon of 4.25% per annum, payable on a six-monthly basis. The 30 June 2023 in respect of this convertible bond issue was €240 million and the current balance was €3 million. A balance of €90 million was also recognised in equity in respect of the equity component (conversion option) of the convertible bond issue.

Other debt securities issued in a non-EU member state comprise bonds issued in 2012 by the Mexican affiliates CE Oaxaca Dos, S. de R.L. de C.V. and CE Oaxaca Cuatro, S. de R.L. de C.V. The main change in this heading in the first half of 2023 consisted of scheduled debt repayments.

15. Other non-current and current liabilities

Other non-current and current liabilities at 30 June 2023 and 31 December 2022 were as follows (in millions of euros):

	Non-current		Current	
Other liabilities	30.06.23	31.12.22	30.06.23	31.12.22
Grants	96	94		
Other deferred income	25	27		
Other payables for non-financial derivatives	51	112		
Salaries payable			203	159
Loans from non-controlling interests	6	7		2
Accounts payable to suppliers of fixed assets	68	82	482	846
Public authorities			396	285
Other payables	1,040	812	761	506
Total	1,286	1,134	1,842	1,798

The main changes in the first half of 2023 affected *Other current liabilities*, as follows:

- *Other current payables* at 30 June 2023 include the dividend approved at the Annual General Meeting of the Shareholders held on 20 June 2023. This dividend was paid on 6 July 2023 (see Notes 16 and 21).
- Meanwhile, *Other non-current payables* increased significantly, mainly due to the first consolidation of Nordex SE during the period, resulting in the recognition of advances received for a total of €151 million.

16. Dividends paid by the Parent Company

The dividends paid by the Parent Company in the first six months of 2023 and 2022 were as follows:

- First half of 2023

At their Annual General Meeting held on 20 June 2023, the Shareholders of Acciona, S.A. approved the payment of a dividend worth €4.5 per share out of the profit for 2022. The total dividend of €246,855 thousand was paid on 6 July 2023.

- First half of 2022

At their Annual General Meeting held on 23 June 2022, the Shareholders of Acciona, S.A. approved the payment of a dividend worth €4.1 per share out of the profit for 2021. The total dividend of €224,912 thousand was paid on 7 July 2022.

17. Earnings per share

- Basic:

Basic earnings per share are calculated by dividing the profit distributable to the Company's shareholders by the weighted average number of ordinary shares outstanding in the period.

The relevant amounts for the six-month periods ended 30 June 2023 and 2022 were as follows:

	First half of 2023	First half of 2022
Net profit attributed to the Parent Company (millions of euros)	466	201
Weighted average number of shares outstanding	54,716,280	54,676,077
Basic earnings per share (euros)	8.53	3.67

- Diluted:

Diluted earnings per share are calculated by adjusting the profit for the year attributable to the holders of ordinary shares and the weighted average number of shares outstanding to include all dilutive effects inherent in potential ordinary shares.

The only dilutive effect in the first half of 2022 and the first half of 2023 relates to employee incentive plans, which have no material impact on the calculation. Accordingly, basic earnings per share match diluted earnings per share.

18. Segment reporting

The criteria applied by the Group to define operating segments are explained in Note 29 to the consolidated annual accounts of the Acciona Group for the year ended 31 December 2022.

As explained in Note 3 above, the equity interest owned in Nordex was increased to 47.08%, resulting in a business combination and change in the method applied to consolidation of the investment, which was fully consolidated for the first time during the period. Nordex' activities and transactions meet the qualitative and quantitative criteria for separate reporting in accordance with IFRS 8. Accordingly, the financial situation and results contributed by Nordex' activity to the Group have been treated as a new business segment since 1 April 2023. In line with the presentation of the Energy segment, the contribution of the new segment is presented net of the costs inherent in the acquisition, basically comprising impairments/writedowns in respect of assets identified in the Purchase Price Allocation (PPA) process and financial costs associated with borrowings, including the relevant tax effects.

The balance sheets at 30 June 2023 and 31 December 2022 segmented by division and the segmented income statements for the six-month periods ended 30 June 2023 and 2022 are presented below (in millions of euros).

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Balance at 30.06.2023	Segment						
	Energy	Infrastructure	Nordex	Other Activities	Intergroup transactions	Corporate transactions	Total Group
Property, plant and equipment, intangible assets and investment property	10,009	679	568	707	-228		11,735
Rights of use	437	157	174	55	-63		760
Goodwill	13	131	1,222	128			1,494
Non-current financial assets	41	50	14	96	2		203
Investments accounted for using the equity method	332	389	83	88	-165		727
Other non-current assets and deferred tax assets	679	621	343	134	14		1,791
Non-current assets	11,511	2,027	2,404	1,208	-440	--	16,710
Inventories	162	310	1,156	1,150	125		2,903
Trade and other receivables	767	3,001	994	429	-301		4,890
Other current financial assets	136	97	0	82	35		350
Other current assets	285	580	279	122	-9		1,257
Cash and cash equivalents	559	1,247	651	287	7		2,751
Assets held for sale							--
Current assets	1,909	5,235	3,080	2,070	-143	--	12,151
TOTAL ASSETS	**13,420**	**7,262**	**5,484**	**3,278**	**-583**	**--**	**28,861**
Consolidated equity	6,391	1,271	1,680	-2,406	-55	--	6,881
Total interest-bearing debt	3,335	795	250	3,064	-21		7,423
Other liabilities	1,950	782	447	163	-130		3,212
Non-current liabilities	5,285	1,577	697	3,227	-151	--	10,635
Total interest-bearing debt	368	210	42	1,360	41		2,021
Trade and other accounts payable	503	3,106	2,636	487	-82		6,650
Other liabilities	873	1,098	429	610	-336		2,674
Liabilities associated with assets held for sale							--
Current liabilities	1,744	4,414	3,107	2,457	-377	--	11,345
TOTAL EQUITY AND LIABILITIES	**13,420**	**7,262**	**5,484**	**3,278**	**-583**	**--**	**28,861**

Balance at 30.06.2023	Segment						
	Energy	Infra-structure	Nordex	Other Activities	Intergroup transactions	Corporate transactions	Total Group
Total revenue	1,760	3,634	1,536	546	-420	--	7,056
Revenue	1,748	3,384	1,446	478			7,056
Revenue to other segments	12	250	90	68	-420		--
Other operating income/(expenses)	-1,139	-3,440	-1,535	-530	406		-6,238
Equity method profit/(loss) - analogous	65	38		-1	4		106
Gross profit/(loss) from operations	686	232	1	15	-10	--	924
Depreciation and amortisation charge and change in provisions	-232	-146	-42	-33	1		-452
Impairment and profit/(loss) on disposal of non-current assets	-4			-3	1		-6
Other gains or losses	145	-2	260	-1			402
Operating profit/(loss)	595	84	219	-22	-8	--	868
Financial profit/(loss)	-77	-15	-12	-6	2		-108
Profit/(loss) from changes in value	27			7			34
Equity method profit/(loss) – non-analogous			-103				-103
Profit before tax	545	69	104	-21	-6	--	691
Income tax expense	-134	-21	-28	2	2		-179
Consolidated profit for the period	411	48	76	-19	-4	--	512
Profit/(loss) after tax of discontinued operations							
PERIOD'S PROFIT	411	48	76	-19	-4	--	512
Non-controlling interests	-93	2	45	1	--	--	-45
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY	**318**	**50**	**121**	**-18**	**-4**	**--**	**467**

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Balance at 31.12.2022	Segment: Energy	Infrastructure	Other Activities	Intergroup transactions	Corporate transactions	Total Group
Property, plant and equipment, intangible assets and investment property	8,940	638	679	-59		10,198
Rights of use	376	134	38			548
Goodwill		136	113			249
Non-current financial assets	32	49	182			263
Investments accounted for using the equity method	423	349	960	-2		1,730
Other non-current assets and deferred tax assets	655	611	137	14		1,417
Non-current assets	10,426	1,917	2,109	-47	--	14,405
Inventories	148	270	975	-7		1,386
Trade and other receivables	631	2,782	364	-437		3,340
Other current financial assets	200	19	96			315
Other current assets	204	499	105	-19		789
Cash and cash equivalents	612	1,429	319			2,360
Assets held for sale						--
Current assets	1,795	4,999	1,859	-463	--	8,190
TOTAL ASSETS	**12,221**	**6,916**	**3,968**	**-510**	**--**	**22,595**
Consolidated equity	6,223	1,054	-904	-69	--	6,304
Interest-bearing borrowings	2,152	861	3,151			6,164
Other non-current liabilities	1,435	742	130	-4		2,303
Non-current liabilities	3,587	1,603	3,281	-4	--	8,467
Interest-bearing borrowings	681	235	848			1,764
Trade and other accounts payable	592	2,968	433	-104		3,889
Other liabilities	1,138	1,056	310	-333		2,171
Liabilities associated with assets held for sale						--
Current liabilities	2,411	4,259	1,591	-437	--	7,824
TOTAL EQUITY AND LIABILITIES	**12,221**	**6,916**	**3,968**	**-510**	**--**	**22,595**

Balance at 30.06.2022	Segment: Energy	Infrastructure	Other Activities	Intergroup transactions	Corporate transactions	Total Group
Total revenue	2,206	2,648	490	-167	--	5,177
Revenue	2,190	2,555	432			5,177
Revenue to other segments	16	93	58	-167		--
Other operating income/(expenses)	-1,357	-2,511	-472	155		-4,185
Equity method profit/(loss) - analogous	60	12				72
Gross profit/(loss) from operations	909	149	18	-12	--	1,064
Depreciation and amortisation charge and change in provisions	-206	-114	-28	1		-347
Impairment and profit/(loss) on disposal of non-current assets	-28	24	3			-1
Other gains or losses		-6	-1			-7
Operating profit/(loss)	675	53	-8	-11	--	709
Financial profit/(loss)	-73	-12	-6	-1		-92
Profit/(loss) from changes in value	-62		-1	-1		-64
Equity method profit/(loss) – non-analogous			-108			-108
Profit before tax	540	41	-123	-13	--	445
Income tax expense	-146	-4	9	3		-138
Consolidated profit for the period	394	37	-114	-10	--	307
Profit/(loss) after tax of discontinued operations						--
PERIOD'S PROFIT	394	37	-114	-10	--	307
Non-controlling interests	-97	-8	-1			-106
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY	**297**	**29**	**-115**	**-10**	**--**	**201**

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Consolidated revenue and the balances of total non-current and current assets by geographical area are as follows (in millions of euros):

	Revenue		Total assets		Non-current assets		Current assets	
	30.06.23	30.06.22	30.06.23	31.12.22	30.06.23	31.12.22	30.06.23	31.12.22
Spain	1,962	2,359	8,306	7,361	4,745	4,688	3,562	2,673
European Union	1,881	426	6,498	2,113	3,040	1,543	3,458	570
OECD	2,322	1,589	11,005	10,292	7,732	7,227	3,273	3,065
Other countries	891	803	3,076	2,829	1,218	947	1,858	1,882
Total	7,056	5,177	28,886	22,595	16,735	14,405	12,151	8,190

19. Impairment and profit/(loss) on disposal of non-current assets

Impairment and profit/(loss) on disposal of non-current assets in the consolidated income statement for the six-month periods ended 30 June 2023 and 2022 is as follows (in millions of euros):

	30.06.23	30.06.22
Profits/(losses) on disposal of non-current assets	-5	6
Profits on equity investments in Group companies and associates		30
Impairment of non-current assets	-1	-37
Total	-6	-1

Profits on equity investments in Group companies and associates recognised in the six-month period ended 30 June 2022 comprised mainly the gain of €20 million realised on the sale of 75% of the Canadian road concession operator Windsor Essex Mobility Group GP. Gains totalling €8 million were also recognised in the Energy division on the sale of shareholdings in the equity accounted companies Desarrollo de Energías Renovables de Navarra, S.A., Parque Eólico Cinseiro, S.L. and Explotaciones Eólicas Sierra de Utrera, S.L. No other material transactions occurred in 2023.

The Group carried out impairment tests of energy generating assets located in Ukraine, given the situation in the country, and recognised impairments totalling €35 million under *Impairment of non-current assets* at 30 June 2022. No evidence has been found to suggest that further impairment testing is required in 2023, based on the results of the internal procedures applied by the Group.

20. Average Headcount

The average headcount of the Acciona Group in the six-month periods ended 30 June 2023 and 2022, distributed by gender, was as follows:

	Headcount	
	30.06.23	30.06.22
Men	39,345	32,247
Women	14,502	12,229
Total	53,847	44,476

Growth in the Group's average headcount in the first half of 2023 (45,892 employees at 31 December 2022) was driven primarily by the change to full consolidation of Nordex **(see Note 3)**.

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21. Events after the reporting period

- As mentioned in Note 17 above, the shareholders of Acciona, S.A. approved the distribution of a dividend of €4.5 per share out of the profit for 2022 at their Annual General Meeting held on 20 June 2023. The total dividend distribution of €246.9 million was recognised under *Other current liabilities* in the accompanying consolidated balance sheet at 30 June 2023 and was paid on 6 July 2023.
- The following additional tax assessments were raised on 11 July 2023 upon the conclusion of the general inspection of corporate income taxes declared for fiscal 2013-2017, which commenced in July 2021 (see Note 25 to the annual accounts for 2022):
  - Contested additional tax liability of €2.7 million (including arrears interest) in respect of income taxes declared for fiscal 2013-2017
  - Contested additional tax liability of €190 thousand (including arrears interest) in respect of non-resident income taxes declared for fiscal 2017
  - Accepted additional personal income tax withholdings of €11 thousand and VAT of €35 thousand payable for fiscal 2017

Acciona, S.A. is currently preparing pleadings in the first of the above cases for submission prior to issuance of the settlement decision.

22. Related-party transactions

In addition to subsidiaries, associates and jointly-controlled entities, "related parties" of the Group include key corporate management personnel (members of the Board of Directors and Senior Executives, and their close relatives), significant shareholders, and entities over which key management personnel may exercise significant influence or control.

Spanish Law 5/2021 of 12 April provided for the inclusion of a special regime in Chapter VII.two, Title XIV of the consolidated text of the Spanish Corporate Enterprises Act for related-party transactions entered into by listed companies and their subsidiaries with directors, shareholders owning 10% or more of voting rights or accorded seats on the board of directors, or with any other persons considered related parties under International Financial Reporting Standards (IAS 24).

In accordance with article 45 of the Acciona Board Regulation, any transaction carried out by Acciona, S.A. or its subsidiaries with directors of the Company, related-party shareholders, or other related parties must be submitted for authorisation by the Board of Directors subject to a report from the Audit and Sustainability Committee, unless such authorisation is not required by law. Related-party transactions will necessarily require authorisation by the Shareholders at the General Meeting when the amount or value concerned is equal to or greater than 10% of the total corporate assets carried in the last annual balance sheet approved.

The Board of Directors is further required to oversee transactions of this nature, ensuring that they are carried out under market conditions and fully respect the principle of equal treatment of shareholders.

The Board may delegate authorisation of the following related-party transactions, which do not require a prior report from the Audit and Sustainability Committee: a) arm's length transactions entered into by the Company and/or its subsidiaries with other group companies in the ordinary course of the business; and b) transactions entered into under the terms of standard form contracts used by the supplier of the goods or services concerned in dealings with large numbers of customers, applying general prices or rates, provided the amount concerned does not exceed 0.5% of the Company's net revenue as reflected in the most recent consolidated (or by default individual) annual accounts approved by the shareholders at their annual general meeting ("*Delegable Related-Party Transactions*").

The Board of Directors approved an *Internal Procedure for Periodic Reporting and Control of Related-Party Transactions* on 17 June 2021, which involves the Audit and Sustainability Committee (*Internal Procedure for Related-Party Transactions*) and provides for the delegation of Delegable Related-Party Transactions to the Internal Conduct Regulation Control Unit (ICRCU) (see Note 35 to the 2022 consolidated annual accounts for further details).

The ICRCU is formed by representatives from the Group's finance, compliance, investor relations and legal departments, and the Secretary to the Board of Directors. It meets periodically at least once every six months to prepare a report to the Audit and Sustainability Committee on any related-party transactions approved under the delegation conferred.

No material transactions, in terms of nature or amount, were carried out between the Company and its subsidiaries with directors, shareholders or other related parties (within the meaning of this Note) in the first half of 2023.

23. Remuneration and other benefits

The existing agreements concerning remuneration and other benefits for the members of the Company's Board of Directors and Senior Management personnel are described in Note 36 to the Group's consolidated annual accounts for the year ended 31 December 2022.

A summary of key information regarding remuneration and benefits for the six-month periods ended 30 June 2023 and 2022 is as follows:

(Millions of euros)	30.06.23	30.06.22
Directors		
Remuneration item		
Remuneration for membership of the Board and/or Board committees	1	1
Salaries	1	1
Variable cash remuneration	2.4	4
Share-based remuneration		
Severance		
Long-term savings schemes	3.5	2
Other		
Total Directors	**7.9**	**8**
Executives		
Total Executives	**20.5**	**19**

The interim information reported in 2022 concerned 47 persons identified as Senior Management personnel, including the corporate internal audit officer, compared to 48 persons identified as holding Senior Management positions in the first half of 2023.

The following pages describe the share-based remuneration schemes approved by the Acciona Group at the reporting date for these condensed consolidated financial statements, including details of key terms and the scope of the schemes as applicable at the different levels of the Group's personnel structure:

- ### 2020-2029 Long-Term Incentive Plan Linked to the Creation of Value

At their General Meeting held on 28 May 2020 the Shareholders approved a long-term incentive plan linked to the creation of value aimed at the executive directors of Acciona, S.A. The main conditions of the 2020-2029 *Long-Term Incentive Plan Linked to the Creation of Value aimed at the Executive Directors of Acciona, S.A.* or *2020 LTIP* are as follows:

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A) Beneficiaries of the Plan: Directors of Acciona, S.A. discharging key senior management functions as executive directors of the Acciona Group at the date of the Plan's approval.

B) Duration: Ten years (from 1 January 2020 to 31 December 2029, inclusive).

C) Metrics used to measure value creation:

(i) Total shareholder return (TSR) is the benchmark value creation measure. TSR is calculated as the difference between the initial value of 100% of the current capital represented by the ordinary shares of Acciona, S.A. and the final value of the same investment, including the gross dividends that would be received by a shareholder maintaining the investment at 100% of capital over the 2020-2029 period of the plan, without discounting the respective values.

The initial and final values are calculated taking into account (for calculation of the initial value) the weighted average share price of Acciona, S.A. by daily volume with respect to the market sessions held in the months of October, November and December 2019, and (for calculation of the final value) the weighted average share price of Acciona, S.A. by daily volume with respect to the market sessions held in the months of October, November and December 2029.

In this regard, the weighted average share price of Acciona, S.A. in the market sessions held in the months of October, November and December 2019 was €92.84 euros. Hence, the initial value for the calculation of TSR is €92.84 euros.

(ii) The weighted average cost of capital (WACC) as minimum rate of return, i.e. the minimum TSR above which value will be deemed to have been created for the shareholders of Acciona, S.A.

WACC will be calculated as the mean WACC required to finance the consolidated assets and activity of Acciona, S.A. and its group in each of the ten years covered by the plan. In this regard, annual WACC will be calculated at 31 December each year as the WACC in each of the twelve months of the year in question (calculated on an annual basis on the last day of each month).

D) Calculation of the incentive: Both measures (TSR and WACC) will be calculated at the end of the plan for the period 2020-2029. If and only if TSR exceeds WACC, the Board of Directors, acting at the proposal of the Appointments and Remuneration Committee, will (i) determine the aggregate amount of the incentive payable to the executive directors, which will be equal to 1% of the actual TSR achieved at the end of the period, and (ii) decide on the distribution of the resulting amount among the executive directors based on criteria designed to weight the relative contribution of each executive director to the achievement of value creation for the shareholders of Acciona, S.A. over the term of the Plan.

E) Payment of the incentive and deferral: The incentive will be paid in cash as follows: (i) 80% in 2030, after preparation of the 2029 consolidated financial statements of Acciona and its group certified by the auditors without qualification, and (ii) the remaining 20% in 2031, after preparation of the 2030 consolidated financial statements of Acciona and its group certified by the auditors without qualification, provided that none of the malus scenarios mentioned in point (F) below arises in the deferral period in the opinion of the Board of Directors, acting at the proposal of the Appointments and Remuneration Committee.

F) Malus and clawback: Acciona, S.A. may claw back all or part of the part of the incentive paid from the executive directors within three (3) years of the date of each incentive payment (including payment of the deferred portion of the incentive), if any of the following malus scenarios arises in the three-year (3-year) period in question, in the opinion of the Board of Directors, acting at the proposal of the Appointments and Remuneration Committee: (i) an executive

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director commits a serious breach of his/her duties of diligence or loyalty in the discharge of his/her duties in Acciona, S.A., or otherwise commits a serious and culpable breach of the undertakings made by the executive director under his/her executive contract with Acciona, S.A.; (ii) it is confirmed that an executive director received the incentive under the plan based on data that is subsequently shown to be manifestly inaccurate; or (iii) an executive director fails to comply with a post-contractual non-compete undertaking entered into or assumed in relation to Acciona, S.A.

G) Early Settlement: If an executive director's commercial relations with Acciona, S.A. are terminated, or if the delegation of executive functions to an executive director is revoked at any time during the term of the plan (1 January 2020 to 31 December 2029, inclusive) for reasons not attributable to such director, settlement of the plan will be accelerated for both of the executive directors. Settlement of the plan will also be accelerated in the event of voluntary resignation by an executive director as of the fourth year of the plan, resulting in settlement of the part of the incentive applicable to the executive director concerned based on value created during the period in question, for a percentage that will vary between 50% and 100% of the amount of the incentive depending on the year in which the director steps down (50% in 2024, 60% in 2025, 70% in 2026, 80% in 2027, 90% in 2028 and 100% in 2029). The Board of Directors of Acciona, acting at the proposal of the Appointments and Remuneration Committee, may decide to continue the plan for the executive director who is unaffected, in view of the best interests of Acciona at such time.

The incentive will accrue only if TSR exceeds WACC for the benchmark period in question at 31 December of the year prior to that in which the director concerned is removed on grounds beyond his/her control or voluntarily steps down.

- Plan for the Award of Shares to management of Acciona, S.A. and its group

The Board of Directors of Acciona, S.A. has approved a new Plan for the award of shares to management of Acciona, S.A. and its group (the "2022 Plan") at the recommendation of the Appointments and Remuneration Committee, which will permit the award of shares to the beneficiaries by way of exceptional, non-vesting variable remuneration subject to the terms and conditions established in the 2022 Plan Regulations.

A) Purpose and Duration: The purpose of the 2022 Plan is (i) to award a given number of shares to one or more Recipients annually based on the attainment of objectives and performance over the year appraised; and (ii) to authorise the Board of Directors to decide, at the proposal of the Appointments and Remuneration Committee, on multi-year Share awards to be made to one or more Recipients based on the attainment of objectives and extraordinary performance over a given period of at least three (3) years, which may not extend beyond the duration of the 2022 Plan, and to set the relevant measurement intervals.

The total duration of the 2022 Plan will be five years, running from 1 January 2022 until 31 December 2026.

B) Recipients: The recipients of the 2022 Plan comprise those Executives of the Acciona Group selected by the Board of Directors each year for allocation of the right to receive Shares in accordance with the 2022 Plan Regulations. By way of clarification, the 2022 Plan does not include Acciona's executive directors.

Participation in the 2022 Plan may be extended to other executive levels or specific individuals discharging positions of special responsibility at the discretion of the Board of Directors, subject to a report from the Appointments and Remuneration Committee.

C) Annual performance appraisal and allocation of Shares: Throughout the term of the 2022 Plan, the Appointments and Remuneration Committee will appraise the Plan Recipients based on (a) each Recipient's personal performance of their duties in the preceding year; (b) the level of fulfilment of objectives associated with each Recipient's position; and (c) the level of fulfilment of the Acciona Group's general objectives in the last financial year closed. The results of this appraisal process are reported to the Board of Directors for its consideration.

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The date on which the Shares allocated to each of the Beneficiaries are transferred will be decided by the Board of Directors or its delegate bodies.

D) Unavailability of Shares and Buy-Back Option: The Beneficiaries of the Shares awarded in accordance with the above paragraphs may not (a) transfer, charge or otherwise dispose of the same under any title (except *mortis causa*), or (b) grant any options, other restrictions on ownership, or collateral guarantees in respect thereof until a period of at least three (3) years has elapsed since the date of transfer of the Shares. This restriction will vary in part in the case of multi-year Share awards.

Meanwhile, the Beneficiaries acquiring Shares under the 2022 Plan will tacitly grant Acciona an option to buy back all of the Shares awarded within the deadlines established in the Plan Regulations. This buy-back option may be exercised as of the date on which the Shares were transferred to the Beneficiary, should any of the *Malus* scenarios described in the Plan Regulations arise.

A total 13,913 shares of Acciona, S.A. have been transferred to 44 executives (non-executive director Beneficiaries) under this management share awards Plan as part of their variable remuneration for 2022.

- Plan to Substitute Variable Remuneration for Shares

Given the limited number of Beneficiaries of the former Plan, the Board of Directors approved the *Plan to Substitute Variable Remuneration for Acciona shares, aimed at management of Acciona and its Group* (the *Substitution Plan*) on 18 February 2021 at the proposal of the Appointments and Remuneration Committee, in order to further and extend the objectives of building loyalty and retaining the Group's executives. The main characteristics of this plan are as follows:

A) Aim: To retain and motivate the management team effectively and to improve the alignment of manager's interests with those of the Company and its Group.

B) Duration: Six years (from 2021-2026)

C) Purpose: Discretionally to offer certain executives of Acciona and its Group the option of replacing or exchanging all or part of their variable remuneration for shares in the Company based on the exchange ratio determined each year. The exchange ratio approved from 2015 to date has included an incentive equal to 25% of the variable remuneration substituted.

C) Beneficiaries: Executives discretionally proposed by the Board of Directors. The executive directors are excluded from this Plan.

D) Restrictions on the shares delivered: In general terms, the shares delivered (a) cannot be disposed of, encumbered or transferred under any title (except *mortis causa*), and (b) may not be included in any option or made subject to any limitations on ownership or guarantees until 31 March of the third year after the year in which the shares were delivered to the Beneficiary.

In accordance with the amendment of the plan approved by the Board of Directors on 29 February 2016, treasury shares transferred to the Beneficiaries in respect of the incentive and not the shares directly awarded in proportion to the remuneration substituted are subject to a buy-back right in favour of Acciona, which may be exercised if professional relations between the beneficiary acquiring the shares and Acciona or its Group are terminated for reasons attributable to the beneficiary before 31 March of the third year following the year of the award.

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The Acciona share price taken as the benchmark to determine the exchange ratio will be the closing price on the last day's trading in March of the year when the Board of Directors determines the award of the substitution option.

E) Beneficiaries of the Plan and number of shares awarded: A total of 11.128 shares of the Company were transferred to 58 executives of Acciona and its Group under the Substitution Plan in the first half of 2023 in payment of a part of variable remuneration earned in 2022.

As proposed by the Appointments and Remuneration Committee, the Board of Directors agreed on 23 February 2023 to expand the Plan to Substitute Variable Remuneration for Shares by establishing a 25% permanence incentive available to all employees whose overall remuneration package includes a variable component. Participation in the Plan is voluntary.

This Plan does not apply to executive directors, whose relations with the company are of a commercial nature and are not based on a contract of employment, or to senior executives.

The employee Variable Remuneration Substitution Plan was launched in Australia in the first half of 2023. A total of 1,914 shares have been awarded to employees of the Group under the Plan in Australia in 2023 to date.

- Shareholder Plan

The Board of Directors unanimously approved a new Shareholder Plan at the proposal of the Appointments and Remuneration Committee, which is applicable to all employees in general who are resident in Spain for tax purposes, offering them the opportunity to redistribute a part of their variable and/or fixed cash remuneration up to a limit of €12,000 per year by means of the transfer of shares in the Company. The Plan was designed in accordance with prevailing Spanish tax regulations, which afford favourable treatment for arrangements of this kind.

The Plan is voluntary and it offers all employees resident in Spain for tax purposes the opportunity to participate in the profits of the Company as shareholders provided they joined any of the companies forming part of the Acciona Group before 31 December 2022.

This Plan does not apply to employees whose relations with the Group are of a commercial nature and are not based on a contract of employment.

The shares were measured at the closing market price on 31 March 2023 and were transferred in the first fortnight of April. A total of 20,403 shares of Acciona, S.A. were delivered to employees under the Plan.

- Savings Plan

In 2014 the Company set up a savings plan linked to term life assurance, with cover for the risks of permanent total, absolute or severe disability and death (the *Savings Plan*) aimed exclusively at the Company's Executive Directors. Key terms of this plan are as follows:

a) It is a defined contributions prudential scheme.
b) The scheme is endowed externally through the payment of annual premiums by the Company to an insurance company with the Savings Plan member as the beneficiary, covering survival and the insured risk contingencies of (i) death and (ii) permanent disability in the degrees established in the Regulations.
c) Where a member may cease to hold office as an Executive Director of Acciona for any reason, the company will discontinue payment of the Savings Plan premiums as of the date on which such member officially steps down, notwithstanding any financial claims recognised in favour of the same.

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d) Savings Plan benefits will be paid directly by the insurer to the members, net of the applicable withholdings and payments on account of Personal Income Tax, which will be payable by the beneficiary. Benefits in respect of other contingencies will also be paid directly by the insurer to the beneficiary or beneficiaries concerned.
e) Members of the Savings Plan will lose their status as such in any of the following circumstances: i) occurrence of any of the risk contingencies covered and collection of the benefit; ii) when they reach the age of 65 years; or iii) upon removal from the position of Executive Director of Acciona for any reason other than the foregoing.

Variable remuneration is either settled in cash at the payment date or is deferred via contributions to the Savings Plan. The deferred remuneration earned by the Executive Directors and settled by way of contributions to the Savings Plan in the first half of 2023 totalled €3.5 million.

Meanwhile, the total remuneration materialised via vested financial claims of the Executive Directors under the Savings Plan amounted to €35.4 million.

C. INTERIM CONSOLIDATED DIRECTORS' REPORT FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

Part I – Analysis of the six-month period ended 30 June 2023

ACCIONA reports in accordance with International Financial Reporting Standards (IFRS) under a corporate structure comprising three divisions:

- Energy: instrumented through the majority shareholding in Corporación Acciona Energías Renovables, S.A. (CAER), this division encompasses the development, construction, operation and maintenance of renewable generating plants and sale of the energy produced. All of the power generated by Acciona Energía is renewable.
- Infrastructure: comprising the following activities
  - Construction: infrastructure projects and turnkey (EPC) projects for power generation plants and other facilities.
  - Water: activities such as the construction of desalination plants, sewage and water treatment plants, and management of the water cycle, an activity that spans the entire process from initial water collection and purification, including desalination, to the treatment of waste water and its return to the environment. The Group also operates service concessions across the whole of the water cycle.
  - Concessions: mainly operation of transport and hospital concessions.
  - Other infrastructure activities: mainly delivery of Citizen Services and Healthcare Services.
- Other activities: comprising fund management and stock broking services, real estate, manufacture of electric vehicles, motorbike sharing, investment in Nordex SE (a manufacturer of wind turbines), museum interior design, and the provision of other services like facility management and airport handling.

Note 19 *Segment reporting* to the accompanying condensed consolidated financial statements provides detailed information on the assets, liabilities and operations involved in each of the business activities carried on by the ACCIONA Group.

The recurrent Alternative Performance Measures (APMs) used in this and other reports by the ACCIONA Group are defined in Appendix I of this Directors' Report.

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1. Executive Summary

Period highlights

ACCIONA´s revenue increased by 36.3% in the first half of 2023 to €7,056 million. EBITDA fell by 13.2% to €924 million while EBIT grew by 22.4% to €868 million. Profit before tax was €691 million, representing growth of 55.3% compared to the first half of 2022, and net profit increased 132.3% to €467 million.

The Company's results in the first half of 2023 continue to reflect vey high electricity prices, which remain well above the historic average, despite falling in Spain over the period. The rest of the Group reported a 47.4% increase in EBITDA during the first half of the year, driven by the strong performance of the Construction activity both in production and profits, and by the higher contribution from Concessions.

These results also reflect the change in the consolidation method applied to the German wind turbine manufacturer Nordex, which was fully consolidated for the first time on 1 April 2023 after ACCIONA increased its interest from 40.9% to 47.08%. Spanish wind power operator Renomar has also been fully consolidated (from 1 May 2023) as the Company increased its stake in the vehicle from 50% to 75%. The change in consolidation method for both companies gave rise to capital gains which on aggregate amount to €405 million.

ACCIONA ENERGÍA

- ACCIONA Energía's revenues totalled €1,760 million in the first half of 2023, comprising Generation revenues of €903 million (-24.1%) and other revenues of €856 million (-15.6%) generated mainly by the Supply business in Spain and Portugal. EBITDA for the period was €686 million (-24.6%), mainly due to lower prices, the impact of which was intensified by the impromptu change in the remuneration parameters applicable in Spain in the 2023-2025 regulatory period. Net Attributable Profit grew by 3.9% to €405 million.
- The Company's results in the first half of 2023 continue to reflect vey high electricity prices compared to the historic average, despite the fall from the record levels seen in the first six months of 2022 at the onset of the Energy Crisis. The Company's effective price hedging policy, production contributed by new assets and improved International results combined to partly offset the negative impact on operating profits of falling prices in Spain and the low level of wind and, especially, hydro energy resource.
- The Company gained control of Renomar, owner of 494 MW of wind power capacity operated by ACCIONA Energía, in the second quarter of the year. This is a positive transaction for the Group both strategically and financially. The increase in the stake held in Renomar from 50% to 75% of share capital and resulting acquisition of control resulted in full consolidation of the vehicle (which was formerly accounted for using the equity method) as of 1 May 2023 and the recognition of a capital gain of €145 million in H1 results.
- ACCIONA Energía has pressed ahead with its construction plan and is on track to achieve its target of 1.8 GW of incremental installed capacity in 2023 with no significant supply chain disruptions as the global situation has normalised significantly.
- Regarding the main ESG indicators, in environmental matters, the Company maintains its 100% of CAPEX aligned with the European taxonomy of sustainable activities. Scope 1 and 2 emissions have increased due to changes in the classification criteria for leased fleet vehicle emissions (previously included in scope 3). This increase will be offset at the end of the year by a lower scope 2. Regarding social indicators, the percentage of women in managerial and executive positions increased by almost 2%, while the accident frequency index decreased compared to the previous year. In terms of governance, the Company has strengthened its partner due diligence processes, including suppliers, with 51% of strategic suppliers audited in the first half of the year. In terms of

sustainable finance, the ACCIONA Group has published its new Sustainable Financing Framework, which is applicable to both the Group and ACCIONA Energía.

- The Group's total installed capacity reached 12,267 MW, representing a net increase of 1,054 MW year-on-year and 442 MW in the first half of 2023.
- Consolidated installed capacity rose to 10,829 MW, a net increase of 1,501 MW in the last twelve months and 945 MW in the first half of 2023. Full consolidation of Renomar as a result of the group gaining control over the vehicle in the second quarter of the year added 494 MW to consolidated capacity, the increased stake in two projects in Canada added 10 MW and new assets represent 442 MW of capacity (mainly comprising 200 MW in Australia and 208 MW in the United States).
- The Company currently has 2,170 MW of capacity under construction, mainly in the United States and Australia, including the new 280 MW Forty Mile wind project in Canada, the start of construction two projects in Croatia (72 MW) and the Logrosán biomass plant in Spain (50 MW).
- The Group's total output remained stable at 12,482 GWh thanks to the new assets commissioned. Consolidated production increased by 2.2% to 10,476 GWh but fell by 3.5% in like-for-like terms in a period of extreme wind and hydro resource scarcity, which has set an all-time low.
- The average generation price was €86.2/MWh (-25.8%), mainly because of lower prices in Australia, Spain and Europe.
- Generation revenues in Spain amounted to €569 million (-31.7%), while International Generation revenues were €334 million (-6.6%). Revenues in the Supply and Other business fell by 15.6% to €856 million.
- Group EBITDA for the first half of the year was €686 million (-24.6%) due to the sharp decline in prices, which was aggravated by the accounting impact of the change in the Spanish regulatory parameters.
- Total EBITDA in Spain fell to €419 million compared to €676 million in the first half of 2022 (-38.0%). Generation EBITDA was €430 million (-35.8%). Consolidated production grew by 3.1% to reach 5,070 GWh thanks to the contribution from new assets, which offset the exceptionally low level of energy resource (wind and hydro). The total average price achieved by the Company in the period was €112.2/MWh compared to €169.4/MWh in the first half of 2022. This fall is explained mainly by the drop in the average pool price to €88.3/MWh (-57.1%) from an average €206.0/MWh in the first six months of 2022.
- The average price achieved for sales of energy in the market reached €88.1/MWh, in line with the pool price. Meanwhile, the gas clawback mechanism reduced the total average price by €3.8/MWh (€19 million in total).
- Hedging increased the average price obtained by €24.0/MWh, in contrast to H1 2022, when it subtracted €35.3/MWh.
- As a consequence, the average sale price in the market, adjusted for the effect of hedging and the gas clawback, was €108.3/MWh (-35.9%), implying a significant premium of €20/MWh over the wholesale market price.
- Regulated revenues contributed only marginally to the average price under the new parameters established for the regulatory period 2023-25, adding just €1.4/MWh to the average price (-81.7%).
- The aggregate effect of the regulatory banding mechanism was €2.5/MWh. The Company once again recognised assets and liabilities related with the regulatory banding mechanism in the first half of the current year at certain installations within the regulatory framework (IT), which, based on the current price scenario, are estimated to require regulated income (Rinv) in the next regulatory semi-period to achieve the permitted return of 7.389%. No significant adjustments were applied as of 30 June 2023 in relation with market price deviations (regulatory banding mechanism).

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- EBITDA for the International business increased by 14.1% to €267 million despite lower revenues, mainly because of the year-on-year drop in operating costs, and the absence of further impairments at the Moura plant (an equity accounted asset) in 2022. Consolidated production totalled 5,405 GWh, an increase of 1.4% despite the low level of energy resource, thanks to the contribution made by new assets. The average achieved price was €61.9/MWh in a scenario of generally lower prices due to lower gas prices, except in Mexico, where income from capacity payments increased during the period.
- A capital gain of €145m was recognised in the income statement as a result of gaining control of Renomar. The positive results from changes in the value of certain energy supply contracts (PPAs and long-term hedges) contributed income of €27 million compared to the loss of €61 million incurred in the previous year. These amounts reflect the fall in market electricity prices. Financial expenses remained relatively stable, despite the increase in net financial debt and higher interest costs, as most of the incremental debt is associated with work-in-progress investment (allowing capitalisation of the associated interest expense).
- Net Investment Cash Flow in the first half of the year totalled €1,544 million, more than twice the amount invested in the same period in 2022 (€770 million), reflecting the acceleration of construction and investing activities, with expenditure expected to be concentrated primarily in the first half of the year. Investment has largely focused on Australia (construction of the MacIntyre wind farm) and the United States, where four solar PV plants are under construction, as well as the investment in the Cunningham battery energy storage system. Period investment also includes the purchase of an additional stake in Renomar.
- Net Financial Debt totalled €3,469 million compared to €2,021 million at 31 December 2022, reflecting the major investments made during the period and the payment of the annual dividend, all partially financed out of operating cash flow.

INFRASTRUCTURE

In the Infrastructure division (which includes the construction, concessions, water and urban & environmental services businesses), revenues increased by 37.3% in the first half of the year, driven in particular by strong revenue growth in Australia, Chile, the United Kingdom and Brazil. EBITDA increased by 55.3% to €232 million due to higher production, growth in the contribution from concessions and improved margins in international construction.

- Within the Infrastructure division, construction revenues increased by 46.0% to €2,925 million and EBITDA rose 74.8% to €148 million, implying an EBITDA margin of 5.0% compared to 4.2% in the first half of 2022. The increased profitability was mainly driven by the international business, which accounts for 85% of the group's construction revenues. By country, the largest contributors to construction revenues were Australia (41%), Spain (15%) and Brazil (8%).
- The results obtained by the Concessions business in the first half of 2023 (revenues of €23 million and EBITDA of €31 million) reflect strong year-on-year growth due to the progress of construction work on the Line 6 metro project in Sao Paulo, Brazil.
- The Water business reports revenues of €610 million in the first half of 2023, reflecting 8.8% growth compared to revenue for the same period last year, driven by construction projects undertaken in the Middle East. EBITDA was €45 million, 2.3% higher than in the first half of 2022.
- Revenues from Urban & Environmental services amounted to €80 million, 12.3% more than in 2022, while EBITDA totalled €9 million, an increase of 35.6%. The H1 EBITDA margin rose to 11.1% compared to 9.2% in H1 2022.
- The infrastructure backlog continued at record levels in the first half of 2023, rising to €22,964 million (€31,733 million including equity accounted projects) following the award of projects worth some €3,908 million in the year to date. The principal contracts awarded in the period include the "North-South" railway line in the

Philippines for a total of €280 million and the perimeter walls of the Tranque de Talabre reservoir in Chile for €245 million. Australia and New Zealand continues to be the most important geographical area for the infrastructure business, accounting for 23% of the total backlog at 30 June 2023, followed by Spain (19%), Mexico (9%) and Brazil (8%). Furthermore, as of the end of June, the Company had additional contracts worth €4,380 million that are pending signing, most of which relate to construction projects and concessions in Australia and the United States.

NORDEX

Nordex achieved revenue growth of 29.5% in the first half of 2023, reaching a total of €2,753 million. This was driven by a 66% increase in installations (3,098 MW in 1H 2023 vs 1,864 MW in 1H 2022). EBITDA improved to -€114.3 million in the first six months of 2023 compared to -€173 million in the same period of the prior year. In the second quarter alone, Nordex generated sales of €1,536 million and positive EBITDA of €0.6 million, a substantial change for the better compared to the first quarter figure of -€115 million.

- The working capital ratio as a percentage of consolidated sales was -9.6% (-10.2% at 31 December 2022) and thus below the target of 'minus 9%' by the end of 2023.
- In the first half of 2023, the Nordex Group received firm orders valued at a total of €2,354 million (H1 2022: €2,357 million) in the Projects segment for 485 wind turbines with a combined nominal output of 2,641 MW (H1 2022: 575 turbines with a combined nominal output of 3,002 MW). The order intake in the Service segment came to €401.4 million in the first half of 2023 (H1 2022: €234.6 million).
- The Nordex Group installed 632 wind turbines with a total output of 3.1 GW in the first six months of 2023 (H1 2022: 416 wind turbines in 16 countries with a total output of 1.9 GW). In MW terms, some 60% of installations were in Europe, 25% in Latin America, 8% in North America and 7% in the 'Rest of the World'.

The order book increased slightly to €9.8 billion (H1 2022: €9.7 billion), consisting of €6.4 billion (H1 2022: 6.7 billion) in the Projects segment and €3.4 billion (H1 2022: €3.1 billion) in the Service segment.

OTHER ACTIVITIES

Revenues from Other Activities increased by 11.4% year-on-year to reach €546 million, while EBITDA was €15 million compared to €18 million in the first half of 2022.

- Property Development revenues and EBITDA both fell compared to the first half of 2022 because fewer housing units were delivered to customers, in line with the delivery schedule for the year as a whole. Gross Asset Value (GAV) at 30 June 2023 was €1,726 million, 12% higher than the value reported by Acciona at 31 December 2022. Some 29% of GAV was accounted for by rental assets, the most significant being the Calle Ombú office building and the Calle Mesena complex (Madrid), where ACCIONA's new head offices are located.
- Bestinver experienced a 13.3% drop in revenues and a 30.9% decline in EBITDA compared to the first half of 2022, as a result of the decrease in average assets under management, which amounted to €5,941 million in H1 2023 compared to €6,346 million in H1 2022. However, the positive performance of the main funds in the year to date drove an increase in funds under management, which totalled €5,647 million at 30 June 2023, representing 10% growth compared to 31 December 2022.
- Corporate and Others includes various businesses such as urban electric mobility, airport handling, facility services and ACCIONA Cultura. Airport sales performed strongly driven by operations at Düsseldorf airport, while ACCIONA Cultura grew on the back of intense activity in the events business.

Consolidated results were as follows:

Profit before taxes totalled €691 million, a 55.3% yoy increase. This figure includes the positive impact of the full consolidation of Nordex and the capital gains arising from the increased stake and full consolidation of Renomar. Nordex and Renomar together contributed aggregate capital gains of €405 million. This figure includes the positive impact generated by the change in the consolidation method applied to Nordex and the gain arising from full consolidation Renomar following the acquisition of an additional interest and control of the affiliate. These two transactions together generated income of €405 million.

ACCIONA's Attributable Net Profit amounted to €467 million, a 132.3% increase compared to the first half of 2022.

ACCIONA's Net Financial Debt (including IFRS 16) totalled €7,066 million at 30 June 2023, an increase of €1,813 compared to 31 December 2022. This increment was mainly due to the large capital expenditure made by the Group during the period, which totalled €2,200 in the first half of 2023 compared to €1,217 million in the same period of the prior year. ACCIONA Energía invested €1,544 million, and a further €116 million were invested in Infrastructure, €302 million in Nordex (comprising a loan of €275 million granted by ACCIONA, which was subsequently capitalised, and €27 million of own funds invested by Nordex), €103 million in Other activities and €136 million in real estate inventories.

The Company also made significant progress in matters of sustainability in the first half of 2023. In terms of social policy, the 10.5% increase in the headcount allowed the recruitment of more women to fill executive and management positions, raising the percentage of female employees to 23.1%, an increase of 1.3% compared to 2022. Meanwhile, the new volunteers office has powered a 205% increase in the number of volunteer hours worked to a total of 6,084 hours. In line with the target set in the Sustainability Master Plan (SMP), 4.07% of the total workforce were disabled employees at 30 June 2022 compared to 3.7% in the same period of the prior year.

As regards environmental indicators, CAPEX aligned with the EU taxonomy accounted for 99% of the total following the major investment made in renewable energy in the first half of 2023. While the Group's own emissions have increased, primarily because of growth in the activity of the Construction division, the intensity of emissions has remained basically stable, reflecting the progressive decoupling of activity from greenhouse gases.

Finally, governance indicators show that female directors make up 38.46% of the total Board members, which is close to the 40% target established in the SMP for 2025. The number of both suppliers and strategic suppliers audited has increased, and tighter control over the supply chain has also resulted in the number of "No Go" providers.

Consolidated Income Statement

(Million euro)	H1 2023	H1 2022	Chg. (%)
Revenues	7,056	5,177	36.3%
EBITDA	924	1,064	-13.2%
EBT	691	445	55.2%
Attributable net profit	467	201	132.5%

Balance Sheet and Capital Expenditure

(Million euro)	30 June 2023	31 Dec. 2022	Chg. (%)
Attributable equity	5,150	4,885	5.4%
Net financial debt (excluding IFRS 16)	6,344	4,742	33.8%
Net financial debt	7,066	5,253	34.5%

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(Million euro)	30 June 2023	30 June 2022	Chg. (%)
Ordinary capex	2,064	1,136	81.7%
Net investment cash flow	2,200	1,217	80.7%

Operating Data

Energy	30 June 2023	30 June 2022	Chg. (%)
Total capacity (MW)	12,267	11,212	9.4%
Consolidated capacity (MW)	10,829	9,328	16.1%
Total production (GWh)	12,482	12,476	0%
Consolidated production (GWh)	10,479	10,247	2.3%
Average price (€/MWh)	86.2	116.2	-25.8%

Infrastructure	30 June 2023	31 Dec. 2022	Chg. (%)
Infrastructure backlog (million euro)	22,964	22,020	4.3%
Project backlog (million euro)	16,637	16,314	2.0%
Water O&M backlog (million euro)	4,183	4,193	-0.2%

Nordex	30 June 2023	31 Dec. 2022	Chg. (%)
Backlog (million euro)	9,804	9,738	0.7%
	30 June 2023	30 June 2022	Chg. (%)
Order intake, turbines (million euro)	2,354	2,357	-0.2%
Average selling price – order intake (ASP) (€/MW)	0,89	0,79	13.5%
Installations (MW)	3,098	1,864	66.2%

Other activities	30 June 2023	31 Dec. 2022	Chg. (%)
Stock of pre-sales (no. of housing units)	1,726	1,473	17.2%
Gross Asset Value (GAV) (million euro)	1,726	1,541	12.0%
Bestinver assets under management (million euro)	5,647	5,117	10.4%
Average headcount	53,847	45,892	17.3%

ESG Indicators

	H1 2023	H1 2022	Change (€m)
Executive and manager women (%)	23.1%	21.8%	+1.3pp
CAPEX aligned with EU low-carbon taxonomy (%)	99%	91%	+8pp
Emissions avoided (CO_2 – million tons)	7.0	6.8	2.0%
Scope 1 + 2 GHG emissions (CO_2 – thousand tons)	97,606	84,178	16.0%
Water consumed (hm^3)	2.9	2.7	7.5%

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Sustainable finance (%)	65%	n.a.	n.a.

2. Consolidated Income Statement

(Million euro)	H1 2023	H1 2022	Change (€m)	Change (%)
Revenue	7,056	5,177	1,879	36.3%
Other revenues	521	453	68	15.0%
Changes in inventories of finished goods and work in progress	157	70	87	124.3%
Total Production Value	7,734	5,700	2034	35.7%
Cost of goods sold	-2,341	-1,581	-760	48.1%
Personnel expenses	-1,329	-1,003	-326	32.5%
Other expenses	-3,246	-2,124	-1,122	52.8%
Operating income from associated companies	106	72	34	47.2%
EBITDA	924	1,064	-140	-13.2%
Depreciation and amortisation	-410	-307	-103	33.6%
Provisions	-42	-40	-2	5.0%
Asset impairment	-1	-37	36	-97.3%
Results on non-current assets	-5	36	-41	-113.9%
Other gains or losses	402	-7	409	-5842.9%
EBIT	868	709	159	22.4%
Net financial result	-110	-100	-10	10.0%
Exchange differences (net)	2	8	-6	-75.0%
Non-operating income from associated companies	-103	-108	5	-4.6%
Profit and loss from changes in financial instruments at fair value	34	-64	98	-153.1%
EBT	691	445	246	55.3%
Income tax	-179	-138	-41	29.7%
Profit after taxes	512	307	205	66.8%
Non-controlling interests	-45	-106	61	-57.5%
Attributable net profit	467	201	266	132.3%

Revenue

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Energy	1,760	2,206	-446	-20.2%
Infrastructure	3,634	2,648	987	37.3%
Nordex	1,536	n.a.	n.a.	n.a.
Other activities	546	490	56	11.4%
Consolidation adjustments	-420	-167	-253	-152.1%
Total revenues	7,056	5,177	1,879	36.3%

Revenues increased by 36.3% to €7,056 million in the first six months of 2023. The evolution of revenues in the different areas of activity was as follows:

- Decrease of 20.2% in Energy revenues to €1,760 million in the first six months of 2023, mainly due to the downward trend in electricity prices, especially in Spain.
- Increase of 37.3% in Infrastructure revenues due to a combination of +46.0% growth in Construction, +3.4% in Concessions, +8.8% in Water and +12.3% in Urban & Environmental Services.
- Nordex contributed revenues of €1,536 million in the second quarter of 2023.
- Increase of 11.4% in revenues from Other Activities, driven by strong performance in airports, ACCIONA Cultura and facility services.

EBITDA

(Million euro)	H1 2023	EBITDA (%)	H1 2022	EBITDA (%)	Change (€m)	Change (%)
Energy	686	74%	909	84%	-223	-24.6%
Infrastructure	232	25%	149	14%	83	55.3%
Nordex	1	0%	n.a.	n.a.	n.a.	n.a.
Other activities	15	2%	18	2%	-4	-20.4%
Consolidation adjustments	-9	n.a.	-13	n.a.	4	29.8%
TOTAL EBITDA	924	100%	1.064	100%	-140	-13.2%
Margin (%)	*13.1%*		*20.6%*			*-7.5pp*

Note: EBITDA contributions calculated before consolidation adjustments

The ACCIONA Group's EBITDA fell by 13.2% to €924 million in the first half of 2023. This decrease reflects the 24.6% drop in the EBITDA of ACCIONA Energía, offset by growth of 47.4% in the rest of the Group. EBITDA in the Infrastructure business performed strongly, increasing by 55.3% on the back of rising output and improved profitability in the construction activity.

EBIT

EBIT totalled €868 million, 22.4% higher than the €709 million reported in the first half of the prior year. This figure includes the impact of the change in consolidation method applied Nordex and Renomar following the acquisition of control of both affiliates, which resulted in aggregate capital gains of €405 million.

EBT

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Energy	545	540	5	1.0%
Infrastructure	69	41	29	70.9%
Nordex	104	-109	213	195.5%
Other activities	-21	-14	-7	-47.4%
Consolidation adjustments	-6	-12	6	46.6%
Total EBT	691	445	246	55.3%
Margin (%)	*9.8%*	*8.6%*		*+1.2pp*

Earnings Before Taxes grew by 55.3% year-on-year in the first half of 2023 to reach €691 million. The change in consolidation method for Nordex and Renomar following the acquisition of control of both affiliates gave rise to aggregate capital gains of €405 million, included in Earnings Before Taxes.

3. Consolidated Balance Sheet and Cash Flow

(Million euro)	30 June 2023	31 Dec. 22	Change (€m)	Chg. (%)
Property, plant and equipment	10,836	9,485	1,351	14%
Investment property	181	168	13	8%
Rights of use	760	548	212	39%
Goodwill	1,494	249	1,245	500%
Other intangible assets	718	545	173	32%
Non-current financial assets	203	263	-60	-23%
Investments accounted for using the equity method	727	1,730	-1,003	-58%
Deferred tax assets	1,147	872	300	34%
Other non-current assets	644	545	99	18%
Non-current assets	16,710	14,405	2,330	16%
Inventories	2,903	1,386	1,517	109%
Trade and other receivables	4,890	3,340	1,550	46%
Other current financial assets	350	315	35	11%
Current income tax assets	290	141	149	106%
Other current assets	967	648	319	49%
Cash and cash equivalents	2,751	2,360	391	17%
Current assets	12,151	8,190	3,961	48%
TOTAL ASSETS	**28,861**	**22,595**	**6,291**	**28%**
Capital	55	55	0	0%
Retained earnings	4,831	4,631	200	4%
Profit/(loss) attributable to the parent company	467	441	25	6%
Treasury shares	-13	-17	4	-24%
Translation differences	-190	-225	35	-16%
Attributable Equity	5,150	4,885	264	5%
Non-controlling interests	1,731	1,419	312	22%
Equity	6,881	6,304	576	9%
Debentures and other marketable securities	3,709	3,101	608	20%
Current bank borrowings	3,714	2,624	1,090	42%
Lease obligations	614	439	175	40%
Deferred tax liabilities	947	890	82	9%
Provisions	365	279	86	31%
Other non-current liabilities	1,286	1,134	152	13%
Non-current liabilities	10,635	8,467	2,193	26%
Debentures and other marketable securities	1,077	1,139	-62	-5%
Current bank borrowings	944	553	391	71%
Lease obligations	108	72	36	50%
Trade and other accounts payable	6,650	3,889	2,762	71%
Provisions	508	299	209	70%
Current income tax liabilities	216	74	142	192%
Other current liabilities	1,842	1,798	44	2%

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Current liabilities	11,345	7,824	3,522	45%
TOTAL EQUITY AND LIABILITIES	**28,861**	**22,595**	**6,291**	**28%**

Consolidated cash flow

(Million euro)	H1 2023	H1 2022	Change (€m)	Chg. (%)
EBITDA	924	1,064	-140	-13.2%
Financial results (*)	-119	-76	-43	-57.1%
Change in working capital	-459	-169	-291	-172.5%
Other operating cash flow	-227	-230	4	1.7%
Operating cash flow	119	589	-470	n.a.
Ordinary capex	-2,064	-1,136	-928	-81.7%
Real estate inventories	-136	-82	-54	-66.1%
Net investment cash flow	-2,200	-1,217	-982	-80.7%
Share buy-back programme		-1	1	92.6%
Derivatives debt	-30	62	-92	-149.2%
Exchange rate differences debt	10	-15	24	165.9%
Perimeter changes and other	500	-93	593	n.a.
Financing and other cash flow (*)	480	-47	526	n.a.
Change in net debt + Decrease/Increase	**-1,601**	**-675**	**-926**	**-137.2%**

Note: IFRS16 lease payments totalled €87 million in the first half of 2023, of which €15 million is reflected in Financial results (net interest) and €72 million are reflected in Perimeter Changes & Other.

Attributable Equity

ACCIONA's attributable equity at 30 June 2023 was €5,150 million, 5.4% more than at 31 December 2022.

Net Financial Debt

(Million euro)	30 June 2023	% of Total	31 Dec. 2022	% of Total	Change (€m)	Chg. (%)
Project debt	655	7%	631	9%	24	3.8%
Corporate debt	8,789	93%	6,786	91%	2,003	29.5%
Total interest-bearing debt	9,444		7,417		2,027	27.3%
Cash + Current financial assets	-3,101		-2,675		426	15.9%
Net financial debt, excl. IFRS 16	6,344		4,742		1,602	33.8%
Net financial debt	**7,066**		**5,253**		**1,813**	**34.5%**

Net financial debt at 30 June 2023 totalled €7,066 million (including €722 million from the IFRS16 effect), an increase of €1,813 million compared to December 2022 due to a combination of the following:

- Operating Cashflow of €119 million, which includes a negative variation in working capital of €450 million, €207 million in ACCIONA Energía and €253 million in the rest of the Group. Other Operating Expenses include basically taxes, non-controlling interests and results of equity accounted entities.

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- Net Investment Cash Flow of -€2,200 million. ACCIONA Energía invested €1,544 million, and a further €116 million were invested in Infrastructure, €302 million in Nordex (comprising a loan of €275 million granted by ACCIONA, which was subsequently capitalised, and €27 million of own funds invested by Nordex), €103 million in Other Activities and €136 million in real estate inventories.
- Financing and Other Cash Flow totalled €480 million, basically related with changes in the perimeter. The full consolidation of Nordex contributed net cash of €265 million to the Group's consolidated net debt at 30 June 2023.

Financial gearing was as follows:

	30 June 2023	31 Dec. 2022
Gearing (Net Debt / Equity) (%)	103%	83%

Capital Expenditure

(Million euro)	H1 2023	H1 2022	Change (€m)	Chg. (%)
Energy	1,544	770	774	100.5%
Infrastructure	116	143	-27	-18.6%
Construction	84	51	33	65.6%
Concessions	8	87	-79	-91.2%
Water	6	3	4	148.6%
Urban & Environmental Services	18	3	15	n.a.
Nordex	302	223	162	116.6%
Other Activities	103	84	19	22.3%
Ordinary capex	**2,064**	**1,136**	**928**	**81.7%**
Property Development	136	82	54	66%
Net investment cash flow	**2,200**	**1,217**	**982**	**80.7%**

Ordinary capex across ACCIONA's various businesses in the first half of 2023, excluding real estate investments, amounted to €2,064 million, compared to €1,136 million in the same period of 2022.

Energy invested €1,544 million, representing 75% of the Group's total ordinary capex, mainly related to projects under construction in Australia (McIntyre), the United States (Red Tailed Hawk, Fort Bend, High Point and Union) and Spain (acquisition of an incremental stake in Renomar and other investments), as well as Other Americas (San Juan de Marcona, Calabaza and other projects).

Infrastructure invested a net €116 million, including €72 million in construction machinery. There has been no relevant investment in concessions in H1 2023.

Investment in Nordex totalled €302 million in the first half of 2023, including a loan of €275 million granted by Acciona, which was subsequently capitalised, and investments of own funds totalling €27 million by Nordex.

Capex in Other Activities amounted to €103 million, mainly comprising investments in Nordex H2, Solideo, Silence and ACCIONA Campus.

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4. Results by Division

4.1. Energy

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Generation Spain	569	833	-264	-31.7%
Generation International	334	358	-24	-6.6%
Intragroup adjustments, Supply & Other	856	1,015	-158	-15.6%
Revenues	**1,760**	**2,206**	**-446**	**-20.2%**
Generation Spain	430	670	-240	-35.8%
Generation International	268	251	17	6.7%
Intragroup adjustments, Supply & Other	-12	-12	-1	5.7%
EBITDA	**686**	**909**	**-223**	**-24.6%**
Generation margin (%)	*77.3%*	*77.4%*		

SPAIN

(Million euro)	H1 2023	H1 2022	Change (€m)	Chg. (%)
Generation Spain	569	833	-264	-31.7%
Intragroup adjustments, Supply & Other	655	797	-141	-17.8%
Revenues	**1,224**	**1,630**	**-405**	**-24.9%**
Generation	377	619	-243	-39.2%
Generation – equity accounted	54	51	3	6.1%
Total Generation	430	670	-240	-35.8%
Intragroup adjustments, Supply & Other	-11	6	-17	-297.7%
EBITDA	**419**	**676**	**-256**	**-38.0%**
Generation margin (%)	*75.6%*	*80.5%*		
EBT	**527**	**640**	**-114**	**-17.8%**
Margin (%)	*43.0%*	*39.3%*		

Revenues in Spain totalled €1,224 million in the period, 24.9% less than H1 2022, mainly because of lower electricity prices in the period, which impacted both the Generation and Supply businesses.

EBITDA fell by 38% to €419 million.

Generation revenues in Spain amounted to €569 million (-31.7%), while EBITDA in this business fell by 35.8% to €430 million. Key factors affecting the EBITDA performance of the Generation business were as follows:

- Consolidated installed capacity in Spain at 30 June 2023 totalled 5,279 MW compared to 4,775 MW at 31 December 2022. The increase of 504 MW was due to the change in the perimeter (Renomar).
- Consolidated production in Spain increased by 3.1% in the period (5,070 GWh).
- The total average price obtained by the Company in the period was €112.2/MWh compared to €169.4/MWh in the first half of 2022 (-33.7%). This fall is explained mainly by the drop in the average pool price to €88.3/MWh from an average €206.0/MWh (-57.1%) in the first six months of 2022.
    - The average price achieved for sales of energy on the market reached €88.1/MWh, in line with the pool price. Meanwhile, the gas clawback mechanism reduced the total average price by €3.8/MWh (€19 million in total).

- Hedging increased the average price obtained by €24.0/MWh, while in H1 2022 it subtracted €35.3/MWh.
- As a consequence, the average sale price achieved in the market, adjusted for the effect of hedging and the gas clawback, was €108.3/MWh (-35.9%), which represents a premium of €20/MWh over the wholesale market price.
- Regulated revenues contributed only marginally to the average price under the new parameters established for the regulatory period 2023-25, adding just €1.4/MWh to the average price (-81.7%).

The aggregate effect of the regulatory banding mechanism was €2.5/MWh. The Company once again recognised assets and liabilities related with the regulatory banding mechanism in the first half of the current year at certain installations within the regulatory framework (IT), which, based on the current price scenario, are estimated to require regulated income (Rinv) in the next regulatory semi-period to achieve the permitted return of 7.398%. No significant adjustments were recognised as of 30 June 2023 in relation with market price deviations (regulatory banding mechanism).

SPAIN – REVENUE DRIVERS AND PRICE COMPOSITION

	Consolidated production (GWh)	Achieved price (€/MWh)					Revenues (€m)				
		Market	Rinv+Ro	*Banding*	Gas Clawback	Total	Market	Rinv+Ro	*Banding*	Gas Clawback	Total
H1 2023											
Regulated	1.070	88,0	6,7	11,7		106,5	94	7	13		114
Wholesale - hedged	3.112	126,4				126,4	393				393
Wholesale - unhedged	889	91,2			-21,7	69,5	81			-19	62
Total - Generation	**5.070**	**112,1**	**1,4**	**2,5**	**-3,8**	**112,2**	**569**	**7**	**13**	**-19**	**569**
H1 2022											
Regulated	1.712	206,6	22,2	-20,9		207,9	354	38	-36		356
Wholesale - hedged	2.225	124,5				124,5	277				277
Wholesale - unhedged	980	204,3			-0,6	203,8	200			-1	200
Total - Generation	**4.917**	**169,0**	**7,7**	**-7,3**	**-0,1**	**169,4**	**831**	**38**	**-36**	**-1**	**833**
Chg. (%)											
Regulated	-37,5%					-48,8%					-68,0%
Wholesale - hedged	39,9%					1,5%					42,0%
Wholesale - unhedged	-9,3%					-65,9%					-69,1%
Total - Generation	**3,1%**					**-33,7%**					**-31,7%**

(€/MWh)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Achieved market price	88.1	204.3	-116.1	-56.9%
Gas Clawback	-3.8	-0.1	-3.7	n.a.
Hedging	24.0	-35.3	59.2	-168.0%
Achieved market price with hedging	108.3	168.9	-60.6	-35.9%
Regulatory income	1.4	7.7	-6.3	-81.7%
Banding	2.5	-7.3	9.8	-134.0%
Average price	112.2	169.4	-57.1	-33.7%

International

(Million euro)	H1 2023	H1 2022	Chg.(€m)	Chg. (%)
Generation – International	334	358	-24	-6,6%
USA	46	50	-4	-8,1%
Mexico	112	101	11	10,5%
Chile	33	36	-3	-8,6%
Other Americas	29	28	1	3,0%
Americas	220	215	4	2,0%
Australia	26	39	-13	-33,0%
Rest of Europe	51	66	-15	-22,4%
Rest of the world	118	37	-14	-10,9%
Intragroup adjustments, Supply & Other	201	218	-17	-7,8%
Revenues	**535**	**576**	**-41**	**-7,1%**
Generation – International	256	249	7	2,7%
USA	39	34	5	14,0%
Mexico	88	77	11	14,3%
Chile	23	18	5	30,5%
Other Americas	22	22	0	-1,1%
Americas	173	152	21	13,9%
Australia	14	24	-11	-43,7%
Rest of Europe	39	46	-7	-16,0%
Rest of the world	91	27	-4	-4,3%
Generation – equity accounted	12	2	10	536,5%
Total Generation	268	251	17	6,7%
Intragroup adjustments, Supply & Other	-1	-17	16	93,7%
EBITDA	**267**	**234**	**33**	**14,1%**
Generation margin (%)	*80,2%*	*70,1%*	*7*	*2,7%*
EBT	**41**	**-71**	**112**	**157,6%**
Margin (%)	*7,6%*	*-12,3%*		

Revenues in the International perimeter fell by 7.1% to €535 million.

EBITDA for the International business increased by 14.1% to €267 million. Generation EBITDA was €268 million, representing growth of 6.7%:

- Consolidated International installed capacity reached 5,550 MW at 30 June 2023 following growth of 871 MW over the last 12 months.
- Total consolidated production rose by 1.4% to 5,405 GWh despite the adverse energy resource scenario, driven by the output of new generating assets.
- The average international price fell to €61.9/MWh (-7.9%) reflecting a generally downward trend except, notably, in Mexico, where the average price increased by 21% on the back of higher capacity payments received.

- EBITDA for the Generation business improved despite falling revenues, mainly driven by lower operating costs compared with the previous period and the absence of further impairments at the Moura plant (an equity accounted facility) in 2022.

INTERNATIONAL – REVENUE DRIVERS

	Consolidated production (GWh)	Realised price (€/MWh)	Generation revenues (€ millions)
H1 2023			
USA (*)	1,188	38.5	46
Mexico	1,314	85.2	112
Chile	1,104	29.9	33
Other Americas	342	85.7	29
Americas	3,947	55.7	220
Australia	560	46.7	26
Rest of Europe	454	112.9	51
Rest of the world	444	83.3	37
Total Generation	**5,405**	**61.9**	**334**
H1 2022			
USA (*)	1,147	43.4	50
Mexico	1,437	70.4	101
Chile	1,042	34.5	36
Other Americas	339	84.0	28
Americas	3,965	54.3	215
Australia	470	83.0	39
Rest of Europe	477	138.6	66
Rest of the world	418	89.5	37
Total Generation	**5,330**	**67.2**	**358**
Chg. (%)			
USA (*)	3.6%	-11.3%	-8.1%
Mexico	-8.6%	21.0%	10.6%
Chile	5.9%	-13.4%	-8.3%
Other Americas	0.9%	2.1%	3.0%
Americas	-0.5%	2.6%	2.1%
Australia	19.2%	-43.8%	-33.0%
Rest of Europe	-4.8%	-18.5%	-22.4%
Rest of the world	6.3%	-6.8%	-1.0%
Total Generation	**1.4%**	**-7.9%**	**-6.6%**

Note: 436MW situated in the United States also receive a "normalised" PTC of $26/MWh

Breakdown of Installed Capacity and Production by Technology

	Total		Consolidated		Net	
30 June 2023	MW Installed	GWh Produced	MW Installed	GWh Produced	MW Installed	GWh Produced
Spain	**5,807**	**6,077**	**5,279**	**5,070**	**5,377**	**5,495**
Wind	4,681	4,889	4,167	3,893	4,261	4,321
Hydropower	868	847	868	847	868	847
Solar Fotovoltaica	197	144	183	134	189	138
Biomass	61	196	61	196	59	189
International	**6,460**	**6,405**	**5,550**	**5,405**	**5,225**	**5,023**
Wind	4,322	4,773	4,049	4,477	3,480	3,813
Mexico	1,076	1,314	1,076	1,314	925	1,126
USA	1,061	1,087	990	1,046	851	930
Australia	803	617	739	560	703	499
India	164	169	164	169	142	148
Italy	156	124	156	124	117	93
Canada	181	240	151	196	113	147
South Africa	138	180	138	180	57	74
Portugal	120	135	120	135	84	94
Poland	101	111	101	111	76	84
Costa Rica	50	138	50	138	32	90
Chile	312	466	312	466	301	456
Croatia	30	38	30	38	23	28
Hungary	24	25			12	12
Vietnam	84	129			21	32
Peru	24		24		24	
Solar Fotovoltaica	1,884	1,584	1,247	880	1,507	1,174
Chile	610	638	610	638	610	638
South Africa	94	94	94	94	39	39
Portugal	46	47			23	23
Mexico	405	437			202	218
Egypt	186	220			93	110
Ukraine	100	47	100	47	97	45
USA	385	94	385	94	385	94
Dominican Republic	58	8	58	8	58	8
Solar Thermoelectric (USA)	64	48	64	48	48	36
Storage (USA)	190		190		190	
Total Wind	**9,003**	**9,663**	**8,216**	**8,370**	**7,742**	**8,134**
Total other technologies	**3,264**	**2,819**	**2,613**	**2,105**	**2,861**	**2,384**
Total Energy	**12,267**	**12,482**	**10,829**	**10,476**	**10,602**	**10,518**

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4.2. Infrastructure Business

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Construction	2,925	2,003	921	46.0%
Concessions	23	22	1	3.4%
Water	610	560	49	8.8%
Urban & Environmental Services	80	71	9	12.3%
Consolidation adjustments	-3	-10	6	67.1%
Revenues	3,634	2,648	987	37.3%
Construction	148	84	63	74.8%
Concessions	31	15	16	109.6%
Water	45	44	1	2.3%
Urban & Environmental Services	9	7	2	35.6%
EBITDA	232	149	83	55.3%
Margin (%)	*6.4%*	*5.6%*		
EBT	69	41	29	70.9%
Margin (%)	*1.9%*	*1.5%*		

Infrastructure revenues for the first half of 2023 totalled €3,364 million, 37.3% higher than in 2022, and EBITDA was €232 million, representing year-on-year growth of 55.3%. Profit before tax amounted to €69 million, 70.9% higher than in the same period of 2022.

In geographic terms, significant revenue growth was achieved in Australia, Spain, Chile and the United Kingdom. The most important geographical region for the Infrastructure division as a whole is Australia, which accounted for 33% of revenues. Sales in Spain (€647 million) rose by 21% year-on-year, contributing 18% of the Division's total revenues.

Construction

(Million euro)	H1 2023	H1 2022	Change (€m)	Change (%)
Revenues	2,925	2,003	921	46.0%
EBITDA	148	84	63	74.8%
Margin (%)	*5.0%*	*4.2%*		

Construction revenues increased by 46.0% to €2,925 million in the first half of 2023, while EBITDA rose by 74.8% to reach €148 million compared to €84 million in H1 2022.

Significant activity growth in revenue terms was observed in Australia (+75%), the United Kingdom (+97%), Canada (+23%), Chile (+127%) and Brazil (+34%). Key construction projects included Line 6 of the Sao Paulo Metro in Brazil, the MacIntyre wind farm in Australia, the Broadway metro extension in Canada and a waste treatment plant in North London in the United Kingdom. ACCIONA has also commenced preliminary work on the Sydney Western Harbour tunnel, the largest contract in the history of the Company.

Australia contributes around 40% of ACCIONA's construction revenues, followed by Spain, which contributes some 15%, Brazil (8%), and Canada and Poland (7% each).

The EBITDA margin obtained by construction activity rose to 5.0% in the first half of 2023, compared to 4.2% in the same period of 2022. This increase in profitability was achieved thanks to the excellent quality of the portfolio contracted in previous years (increased contribution from collaborative contracts), strict cost control in the execution of projects, the rising share of large machinery-intensive contracts, the improved performance and reduction in impairments of industrial activities, and the progress of new Waste-to-Energy projects in the United Kingdom.

Concessions

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Revenues	23	22	1	3.4%
EBITDA	31	15	16	109.6%
Margin (%)	*134.1%*	*66.2%*		

Concessions revenues increased by 3.4%, while EBITDA rose 109.6%. This strong EBITDA growth was due in particular to the progress achieved in construction work on the Orange section of Line 6 of the Sao Paulo Metro in Brazil, which is a demand-risk-free financial asset.

With regard to new projects, ACCIONA was selected in the first half of 2023 as *First Proponent* to undertake the construction, maintenance and financing contract for the Central-West Orana REZ (Renewable Energy Zone) in New South Wales. This is one of Australia's largest green energy distribution networks, and the project will require an estimated total investment of some AUD7,200 million (more than €4,500 million). ACCIONA owns a 50% stake in the construction project and a 36% interest in the concession holder. The contract is expected to be signed in 2024.

The book value of equity invested in transport concessions at 30 June 2023 was €186 million. There have been no significant investments in H1 2023.

Water

(Million euro)	H1 2023	H1 2022	Change (€m)	Change (%)
Revenues	610	560	49	8.8%
EBITDA	45	44	1	2.3%
Margin (%)	*7.3%*	*7.8%*		

Water revenues increased by 8.8% in the first half of 2023, while EBITDA rose 2.3%. The strongest growth was achieved in the Operation and Maintenance (O&M) activity, which now accounts for 38% of revenues.

In geographic terms, ACCIONA Water maintains a strong presence in the Middle East (Saudi Arabia, United Arab Emirates and Qatar), the source of some 50% of revenues.

Urban and Environmental Services

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Revenues	80	71	9	12.3%
EBITDA	9	7	2	35.6%
Margin (%)	*11.1%*	*9.2%*		

Revenue from Urban & Environmental Services increased by 12.3% to €80 million and EBITDA by 35.6% to €9 million in the first half of 2023, resulting in an EBITDA margin of 11.% for the period compared to 9.2% in the in the first six months of 2022.

Infrastructure Backlog

(Million euro)	30 June 2023	31 Dec. 22	Change (%)	Weight (%)
Construction	15,509	15,061	3.0%	68%
Concessions	1,395	769	81.3%	6%
Water	5,311	5,446	-2.5%	23%
Urban & Environmental Services	749	547	0.8%	3%
TOTAL	22,964	20,020	4.3%	100%

(Million euro)	30 June 2023	31 Dec. 22	Change (%)	Weight (%)
Construction activities	16,637	15,061	2.0%	72%
Water Concessions & O&M	4,183	769	-0.2%	18%
Concessions	1,395	5,446	81.3%	6%
Urban & Environmental Services	749	749	0.8%	3%
TOTAL	22,964	22,020	4.3%	100%

(Million euro)	30 June 2023	31 Dec, 22	Change (%)	Weight (%)
Spain	4,395	4,042	8.7%	19%
International	18,569	17,977	3.3%	81%
TOTAL	22,964	22,020	4.3%	100%

The total Infrastructure backlog increased by 4.3% compared to 31 December 2022 to reach €22,964 million, while the construction and water projects backlog totalled €16,637 million, 2.0% higher than at 31 December 2022, In both cases a new all-time high. New projects worth €3,908 million were secured in the first half of 2023. Moreover, the Company had additional contracts worth €4,380 million pending final signing as of 30 June 2023. The most significant awards in the six-month period were as follows:

- Construction projects account for a total €3,542 million, chief among them the North-South Commuter Railway South line in the Philippines for a total of €280 million and the perimeter walls of the Tranque de Talabre reservoir in Chile for a total of €245 million.
- Water projects account for €277 million, primarily consisting of the design and construction of the East Bay 2 drinking-water treatment plant (ETAP) in the Philippines (€57 million), which will be the third water treatment plant built by ACCIONA in the country, and the contract for the design and construction of sewerage networks in Apulia, Italy worth €91 million.
- New Urban & Environmental Services projects amounted to €89 million, including the award of a road cleaning and waste collection contract in Toledo (Spain) for €35 million.

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Including ACCIONA's interests in equity accounted projects, the total Infrastructure backlog amounts to €31,733 million. If preferred bidder status projects are included, the total infrastructure backlog is €46,255 million.

4.3. Nordex

(Million euro)	Q1 2023	Q2 2023	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Revenues	1,217	1,536	2,753	2,126	627	29.5%
Gross profit	108	186	293	246	48	19.3%
Gross profit (%)	*8.9%*	*12.1%*	*10.7%*	*11.6%*		
EBITDA	-115	1	-114	-173	59	-34.0%
Margin (%)	*-9.4%*	*0.0%*	*-4.2%*	*-8.1%*		
EBIT	-166	-41	-207	-261	55	-20.9%
Margin (%)	*-13.6%*	*-2.7%*	*-7.5%*	*-12.3%*		

The Nordex Group, which was fully consolidated for the first time at 1 April 2023, showed an overall improvement in the second versus the first quarter of 2023.

The significant year-on-year increase in installation activities resulted in higher consolidated revenues for the Nordex Group, as sales rose by 29.5% to €2,753 million in the first half of 2023 (H1 2022: €2,126 million). Sales in the Projects segment increased by 28.9% to €2,452 million in the period to 30 June 2023 (H1 2022: €1,902 million). The Service segment, which typically generates a steady stream of income, grew its sales by 34.7% to €304.9 million (H1 2022: €226.3 million) on the back of new contracts.

Nordex has built up a small amount of inventories to address future business volumes. Due to these changes in inventory of €45.7 million, gross revenue in the first half of 2023 was €2,799 million (H1 2022: €2,220 million).

Gross profit (gross revenue less cost of materials) increased considerably by 19.3% to €293.4 million in the reporting period (H1 2022: €245.9 million), while EBITDA improved to -€114.3 million (H1 2022: -€173.3 million).

Earnings before interest and taxes (EBIT) amounted to -€206.9 million in the first half of 2023 (H1 2022: -€261.5 million). This represents an improved EBIT margin of -7.5% (H1 2022: -12.3%).

In terms of operating variables, in the first half of 2023, the Nordex Group received firm orders valued at total of €2,354 million (H1 2022: €2,357 million) in the Projects segment for 485 wind turbines with a combined nominal output of 2,641 MW (H1 2022: 575 wind turbines with a combined nominal output of 3,002 MW).

Orders were generated in 16 European countries during the reporting period with the largest volumes (measured in MW) coming from Germany, Lithuania, Greece and Estonia.

The average selling price (ASP) per megawatt of output was up considerably on the prior period at €0.89 million/MW (H1 2022: €0.79 million/MW).

The nominal output and number of installed wind turbines increased year-on-year to €3,098 million (H1 2022: €1,864 million) and 632 wind turbines in 22 countries (H1 2022: 416 wind turbines in 16 countries). A share of 60% of the installations was located in Europe, 25% in Latin America, 8% in North America and 7% in the "Rest of the World" region.

The order book in the Projects segment came to €6,387 million at the interim reporting date of 30 June 2023 (30 June 2022: €6,677 million). Of this amount, 83% was attributable to Europe, 14% to Latin America, 2% to North America and 1% to the Rest of the World.

The order intake in the Service segment came to €401.4 million in the first half of 2023 (H1 2022: €234.6 million), while the segment order book stood at €3,418 million at the end of the reporting period (30 June 2022: €3,061 million).

(Million euro)	H1 2023	FY 2022	Chg. (€m)	Chg. (%)
Backlog	9,804	9,738	66	0.7%
Project backlog	6,387	6,677	-290	-4.3%
Services backlog	3,418	3,061	356	11.6%

	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Order intake, turbines (million euro)	2,354	2,357	-4	-0.2%
Order intake, turbines (MW)	2,641	3,002	-361	-12.0%
Average selling price – order intake (ASP) (€/MW)	0.89	0.79	0.1	13.5%
Installations (MW)	3,098	1,864	1,233	66.2%

4.4. Other activities

(Million euro)	H1 2023	H1 2022	Chg. (€m)	Chg. (%)
Property Development	20	25	-5	-21.4%
Bestinver	48	55	-7	-13.3%
Corporate & Other	478	409	69	16.8%
Revenues	**546**	**490**	**56**	**11.4%**
Property Development	-14	-9	-5	57.5%
Margin (%)	*n.a.*	*n.a.*		
Bestinver	19	28	-9	-30.9%
Margin (%)	*39.7%*	*49.8%*		
Corporate & Other	10		10	n.a.
EBITDA	**15**	**18**	**-4**	**-20.4%**
EBT	**-21**	**-14**	**-7**	**47.4%**

Property Development

Property development revenues fell by 21.4% compared to the first half of 2022 to €20 million, because fewer residential units were delivered (24 units in H1 2023 vs 108 units in H1 2022). These deliveries are in line with the schedule for the year, which envisages delivery of 800 units in 2023, 95% of them expected in the fourth quarter.

In the supply activity, ACCIONA pre-sold 277 units in the first half of 2023, 66% in Spain and 34% abroad. Based on the net movement of pre-sales and deliveries, the pre-sale backlog at 30 June 2023 was 1,726 units, a 17% increase on the backlog at 31 December 2022. In financial terms, these 1,726 units represent revenues of €555 million, which will be recognised in ACCIONA's income statement over the next three years. Build-to-Rent (BTR) projects account for 26% of the pre-sales portfolio.

ACCIONA had 2,065 units under commercialisation at 30 June 2023. Accordingly, the pre-sales stock represents 65% of the units under commercialisation.

The principal rental assets comprise the office building in Calle Ombú, Madrid, which was leased in late 2022, and the office complex at Calle Mesena, Madrid, where the Group is headquartered.

ACCIONA invested €136 million in the property development business in the first six months of 2023, €54 million principally in purchases of land in Madrid (Madrid Nuevo Norte development zone and the town of Torrelodones) and in Poland.

The Gross Asset Value (GAV) of ACCIONA's property development portfolio was €1,726 million at 30 June 2023, an increase of 12% compared to 31 December 2022. GAV accounted for some 29% of rental assets, the most significant being the Calle Ombú office building and the Calle Mesena complex (Madrid), which includes the ACCIONA Campus.

Bestinver

Bestinver's revenues fell by 13.3% and EBITDA by 30.9% as a result of lower average assets under management, which amounted to €5,491 million in the first half of 2023 versus €6,346 million in H1 2022. EBITDA for the period also includes costs related with the discontinuation of activity at the Milan branch.

However, the trend in funds under management was highly positive in the early months of 2023, which saw growth of 10% compared to 31 December 2022 reaching a total of €5,647 million at 30 June 2023. Meanwhile, the main funds (Bestinfond, Bestinver Internacional and Bestinver Bolsa) ratcheted up a cumulative revaluation of +17% over the first half of the year.

As regards new product launches, the marketing period for the Bestinver Infra FCR fund ended in March, successfully reaching the target volume of €300 million. The fund has invested, or earmarked, 90% of its total volume in a portfolio of nine transport, social infrastructure and renewable energy assets.

Corporate and Other Activities

Corporate and Other Activities include activities such as Airport Handling, Urban Electric Mobility, Facility Services and ACCIONA Cultura.

Revenues totalled €478 million in the first half of 2023 while EBITDA rose to €10 million (compared to breakeven in the first half of the prior year), driven by the good performance of Facility Services (9.4% increase in revenues), airports (revenue growth of 25.3%) and ACCIONA Cultura, which increased its revenues twofold.

In Urban Electric Mobility, the number of vehicles sold by Silence in its main markets (Spain, Germany and France) fell by 9.4% overall in the first half of 2023 compared to vehicle sales for the in the same period of 2022. The European electric vehicles market by some 14.6% in the first six months of 2023 in contrast to the growth of 114% achieved in the first half of 2022. This abrupt change of trend was driven by a series of factors, including the general economic outlook, the recovery of the market for internal combustion vehicles, which saw growth return to pre-Covid levels, and the possibility that the European authorities may extend the use of petrol and diesel powered vehicles beyond 2035. With an 18% share in the European urban electric mobility market and the commercial launch of the Nanocar in the second half of the year, Silence expects to sell 14,000 units in 2023 as a whole.

5. Sustainability

KEY SUSTAINABILITY MILESTONES

- CAPEX aligned with the taxonomic criteria reached 99% in the first 6 months of the year.
- The first ESG Budget, a non-financial planning tool that allocates specific resources to achieve sustainability objectives and facilitate strategic and informed decision-making, has been implemented.
- The Volunteering Office has begun its work, with the aim of promoting and coordinating the management of ACCIONA's Volunteering programme in the different areas of the Company.
- A new Sustainable Impact Financing Framework has been approved, which includes green finance and sustainability-linked instruments, and introduces a Local Impact feature that creates a "Double Impact" structure when combined with any of these instruments.
- Analysis of the relationship between the Company's business and Nature is promoted using a methodological framework designed to identify and analyse natural dependencies, impacts, risks and opportunities at project level, following TNFD recommendations.
- With the appointment of Ms María Salgado Madriñán and Ms Teresa Sanjurjo González as new independent female directors, 38.46% of the Board are now women, close to the 40% PDS target for 2025.
- The percentage of variable remuneration for executives linked to sustainability indicators has been increased from 10% to 12.5%.
- The second Climate Risks and Opportunities Report (TCFD Report) has been published.

CLIMATE CHANGE REPORT (TCFD Report)

ACCIONA published its Climate Change Risks and Opportunities Report (TCFD Report) in the first half of the year.

In 2022, ACCIONA assessed 136 risk situations related to climate change, considering 76 as relevant at business level and 6 at company level. In addition, the 6 activities of the Company with the greatest capacity to adapt and mitigate climate change and, therefore, with the greatest opportunity for growth were assessed.

ACCIONA has established an ambitious roadmap to achieve the goal of becoming a Net Zero organisation. The strategy and targets for achieving the roadmap are approved by the Science Based Targets (SBTi) initiative and consist of a 60% reduction in direct emissions (Scope 1) and emissions derived from electricity consumption (Scope 2 - market-based) by 2030 (in absolute terms). A 47% reduction by 2030 (absolute terms) has been set for Scope 3 emissions. Both targets are based on 2017 emissions levels.

In 2022, ACCIONA reinforced its commitment to achieving Net Zero by 2040, which will entail a reduction of Scope 1, 2 and 3 emissions by 90% compared to 2017 and the absorption of residual emissions generated through nature-based solutions.

The report specifically sets out information on governance, the results of the risk and opportunity analysis, and the strategy adopted by the company to achieve its objectives.

INVOLVEMENT IN INITIATIVES

ACCIONA and ACCIONA Energy received awards this quarter from CDP, a global organisation that disseminates climate information to the investment community. These awards recognise the strategy and actions of both companies in the fight against climate change over the past year.

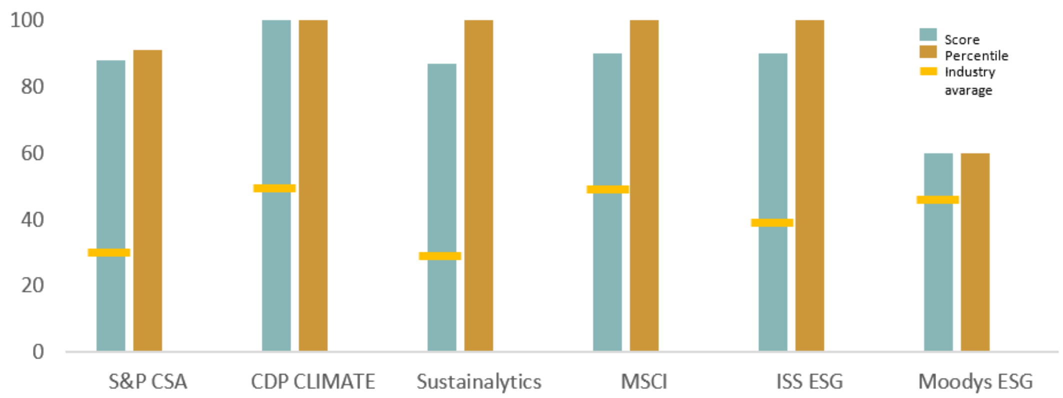
Specifically, ACCIONA and ACCIONA Energy have been included in CDP's Climate Change A List, which highlights the consistency and scope of its strategy in the fight against climate change. CDP evaluates transparency, certification of decarbonisation achievements, implementation of best practices and risk assessment.

In addition, as part of the CDP annual meeting, ACCIONA Chairman José Manuel Entrecanales took part in a panel discussion entitled "Transforming the climate norm: what real 1.5°C transition plans should look like".

ACCIONA continues to participate as a member of important sustainability-promoting entities, including UNGC, CLG Europe, WBCSD and the Spanish Green Growth Group, among others. ACCIONA took part in more than 40 public events at national and international level in the first half of the year, addressing issues like decarbonisation, sustainable finance, climate change, human rights, business with purpose and leadership.

EXTERNAL EVALUATIONS

OUR ESG RATING



Sector	Electric utilities	Electric utilities	Electric utilities	Utilities	Construction	Heavy Construction
Posición	-	A	17.8 Low Risk	AA	C+ PRIME	62 ADVANCED

* Note: The Sustainalytics ESG Risk Rating gives a lower score to companies with lower exposure and better ESG risk management.

MAIN SUSTAINABILITY AWARDS

ACCIONA received the following distinctions in the first half of 2023:

ACCIONA and ACCIONA Energy included in the S&P Top 5% Sustainability Yearbook: S&P has evaluated more than 7,800 international companies in 61 business sectors, selecting the 708 best-performing companies for inclusion in the yearbook.

ACCIONA, member of Dow Jones Sustainability World Index (DJSI): The Dow Jones Sustainability World Index (DJSI World) highlights the performance of the Top 10% of the 2,500 largest companies in the Dow Jones Global Total Stock Market Index℠ leaders in sustainability.

GREEN AND SUSTAINABLE FINANCE

ACCIONA's sustainable financing strategy aims to align the Group's financing activity more closely with its commitment to lead the transition to a low-carbon economy. This is achieved through green financing instruments and sustainability-linked instruments.

At 30 June 2023, the Group's green debt and sustainable commitments amounted to €8,563 million.

Type of financing	No. of live operations	No. of new operations at 30.06.23	Current outstanding amount €M
Green financing	52	6	4,606
Financing with sustainability commitments	15	4	3,958
Total	**67**	**10**	**8,563**

NEW SUSTAINABLE IMPACT FINANCING FRAMEWORK

In 2023 the ACCIONA Group has updated its financing frameworks, consolidating both green and sustainable finance under a new Sustainable Impact Finance Framework. The framework is based on leading green finance practices, such as the Green Bond Principles (GBP) of the International Capital Markets Association (ICMA) and the Green Lending Principles (GLP) administered by the Loan Market Association (LMA). It is also aligned with the draft European Union Green Bond Standard (EU-GBS). DNV has reviewed and issued a favourable opinion on the new framework's compliance with these standards. The ICMA 2020 Sustainability-Linked Bond Principles and the LMA 2022 Sustainability-Linked Loan Principles have also been considered to strengthen ACCIONA's sustainability approach.

The new Framework goes beyond existing green and sustainability-linked structures in the market by incorporating Local Impact Indicators that create an innovative "Double Impact" structure. These Local Impact Indicators are defined according to the environmental and social context of ACCIONA's projects, and achieve a greater positive impact.

This Framework is structured around four types of financing instruments, as illustrated below:

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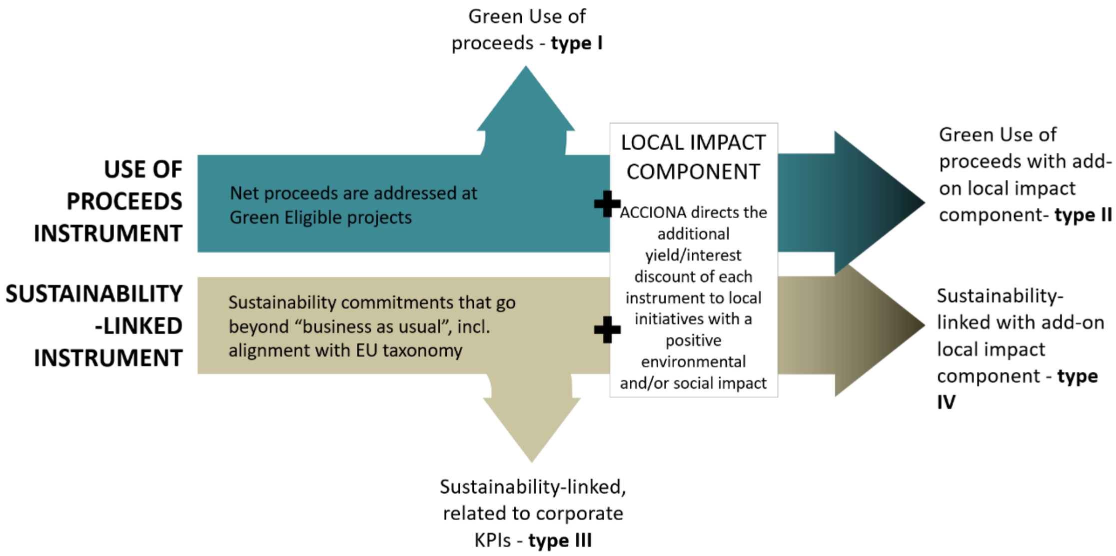

Type I Instruments, known as "Green Use of Proceeds", focus on funding specific projects aligned with the EU Taxonomy, thus ensuring that investments are targeted at initiatives that directly contribute to sustainability objectives.

Meanwhile, Type 3 or "Sustainbility-Linked" Instruments are designed to be in line with the company's sustainability objectives. This is achieved by monitoring two corporate KPIS:

- KPI 1: Measurement of Scope 1 and 2 emissions in tonnes of carbon dioxide (TCO_2)
- KPI 2: Percentage of eligible investments meeting the criteria of the EU taxonomy

To achieve a double impact and further enhance sustainability, Type I and III instruments are complemented by local components, corresponding to Type II and IV Instruments, as shown in the diagram above.

ACCIONA has already defined a series of indicators to measure the additional local impact generated by these instruments. These indicators will be expanded and adjusted as new opportunities and projects arise in the future.

The local impact indicators included in the new financing framework are as follows:

INDICATORS	INDICATOR RATIONALE	CONTRIBUTION TO THE SDGS
1. Certified technical training hours (TVET) for women and under-represented groups	Education enables upward socio-economic mobility and is key to escaping poverty.	
2. Number of new households in rural areas in developing countries with access to electricity.	One in eight people still do not have access to electricity. To ensure access to affordable, reliable, sustainable and modern energy for all, the use of renewable energy needs to increase from 25% today to 38% by 2025.	

3. Net positive solutions based on nature	Since 2015, an estimated 10 million hectares of forest have been lost each year. Nature-based solutions are inspired and supported by nature, provide simultaneous environmental, social and economic benefits and contribute to building resilience.	
4. Number of decarbonisation plans for small and medium-sized enterprises	As we face a climate emergency and businesses aim to meet their climate goals, emissions from the global business supply chain need to be addressed.	
5. "Early adopter" programme: Zero/low carbon energy, steel and cement, and supplies	Conventional materials used in the infrastructure industry (concrete, steel, etc.) are among the most difficult to reduce.	
6. Number of decarbonisation schemes supported for local farmers in the context of the MacIntyre wind project	Achieving real carbon emission reductions in the agricultural sector requires close collaboration between industry, governments and the community.	

In addition, as markets demand greater transparency in sustainable financing instruments, ACCIONA's new framework introduces a set of clear and demanding rules to reinforce their credibility.

This new framework applies to ACCIONA (Acciona, S.A.) and its subsidiary ACCIONA Energía (Corporación Acciona Energías Renovables, S.A.) and replaces the previous financing frameworks.

-> Link to Sustainable Impact Finance Framework

6. Material Events

- 25 January 2023: ACCIONA submits details of transactions under the Liquidity Agreement between 24/10/2022 and 24/01/2023, inclusive.
  - The transactions reported relate to the twenty-second quarter of the aforesaid agreement (from 24 October 2022 to 24 January 2023, inclusive).
- 27 February 2023: Corporación Acciona Energías Renovables reports the identities and responsibilities of the members of its senior management team.
  - ACCIONA hereby reports the identities of persons discharging senior management responsibilities pursuant to article 3.1(25)(b) of Regulation (EU) No 596/2014 on market abuse: Mr Andrés Pan de Soraluce Muguiro, Mr Huberto Jose Moreno Lorente, Mr José Luis Díaz-Caneja Rodríguez, Mr Luis Castilla Cámara, Ms Macarena Carrión López de la Garma, Mr Diego Marín García, Mr José Joaquín Mollinedo Chocano, Mr Fernando Fajardo Gerez, Mr José Manuel Terceiro Mateos, Mr Roberto Fernández López, Mr Justo Vicente Pelegrini, Mr Jose Julio Figueroa Gómez de Salazar, Mr Juan Manuel Martínez Sánchez, Ms Olga Corella Hurtado, Mr David

Gutiérrez Abarquero, Mr José Ángel Tejero Santos, Mr Juan Muro-Lara Girod, Mr Jose Luis Rodríguez Hernández, Mr Bede Noonan, Mr Carlos Anta Callersten, Ms Ada Tutor Cosín, Mr Alberte González Patiño, Mr Alberto Acosta García, Mr André Lima de Angelo, Mr Carlos Planelles Fernández, Mr Carlos Sotelo Rosell, Mr Diego Pini, Ms Eva García San Juan, Ms Gabriela Sebastián de Erice, Ms Isabel Gistau Retes, Mr Javier Serrada Quiza, Mr Jesús Sancho Carrascosa, Mr José Luis Blasco Vázquez, Mr José María López Galiacho Gónzalez, Ms María Cordón Ucar, Mr Mariano Jiménez García, Mr Maximiliano Ades Alsina, Mr Miguel Ángel Heras Llorente, Ms Mónica Rodríguez Ramón, Ms Pepa Chapa Alós, Ms Pilar Alfranca Calvo, Ms Pilar Ramón Cortasa, Mr Roberto Ventura Cabrera Ferreira, Ms Iranzu Presmanes Zatarain and Mr Sergio Eliseo Ramírez Lomelin.

  - This communication replaces and revokes the list of persons indicated in the last communication dated 10 March 2022 (OIR 14935).

- 26 April 2023: ACCIONA publishes information on operations under the Liquidity Agreement carried out between 25/01/2023 and 25/04/2023, inclusive.

  - The transactions reported refer to the twenty-third quarter of the aforesaid agreement (from 25 January 2023 to 25 April 2023, inclusive).

- 11 May 2023: ACCIONA publishes the call for the Annual General Meeting and the proposed resolutions to be put to the Shareholders.

  - ACCIONA's Board of Directors has convened the Annual General Meeting of the Shareholders to be held on the 19 June 2023 at 12.00 noon at first call and at the same time on 20 June 2023 at second call (its being likely that the meeting will be held at the second call).

  - Also attached hereto are the proposals that the Board of Directors of ACCIONA will put to the Annual General Meeting for approval by the Shareholders in connection with all the items on the agenda, which will be made available to the shareholders together with the other documentation related with the General Meeting, at the Company's head office and online on the Company´s corporate website www.acciona.com under the terms set forth in the call.

- 11 May 2023: ACCIONA reports the change in its ownership interest in Nordex, SE.

  - Having completed the formalities for the capital increase by the German wind turbine manufacturer Nordex SE (NDX1) agreed by the Shareholders of that company at their Extraordinary General Meeting held on 27 March 2023, ACCIONA has increased its ownership interest in Nordex SE from 40.9% to 47.08%.

- 20 June 2023: ACCIONA reports the resolutions adopted and votes cast by the Shareholders at their Annual General Meeting held on today's date.

  - The Shareholders at their Annual General Meeting held at second call and attended by 84.14% of the Company's share capital (including treasury shares) have approved all of the items on the agenda put to the vote with the votes in favour of at least 80.86% of the share capital present at the Meeting under the terms set forth in the documentation made available to shareholders and as communicated to the CNMV on 11 May 2023 (OIR number 22536).

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- The gross dividend of approximately €4.5 per share (or such higher figure as may be decided by the Board of Directors or any members of the same in the discharge of delegated functions) will be paid on 6 July 2023. The dividend payment will be effected via the member entities of Sociedad de Gestión de los Sistemas de Registro Compensación y Liquidación de Valores, S.A.U. (Sole Shareholder Company).

- 20 June 2023: ACCIONA reports membership of the Board of Directors and Board Committees, following the resolutions adopted at the Annual General Meeting and the Board Meeting held on today's date. The number of members of the Board of Directors is set at thirteen: The number of members of the Board of Directors is set at thirteen: Chairman: Mr José Manuel Entrecanales Domecq, Executive Director. Vice President: Mr Juan Ignacio Entrecanales Franco, Executive Director. Lead Independent Director: Mr Jerónimo Gerard Rivero, Independent Director. Member: Mr Daniel Entrecanales Domecq, Proprietary Director. Member: Mr Javier Entrecanales Franco, Proprietary Director. Member: Ms Sonia Dulá, Independent Director. Member: Mr Javier Sendagorta Gómez del Campillo, Independent Director. Member: Mr José María Pacheco Guardiola, Independent Director. Member: Ms María Dolores Dancausa Treviño, Independent Director. Member: Mr Carlo Clavarino, Independent Director. Member: Ms Maite Arango García Urtiaga, Independent Director. Member: Ms María Salgado Madriñán, Independent Director. Member: Ms Teresa Sanjurjo González, Independent Director.

  At the Board meeting held after the Annual General Meeting, the Directors also adopted the following resolutions:

  - To change the membership of the Audit and Sustainability Committee, which shall have the following four members: Ms María Salgado (Chairwoman), Mr Jerónimo Gerard (Member), Ms Sonia Dulá (Member) and Mr José María Pacheco (Member).

  - To change the membership of the Appointments and Remuneration Committee, which shall have the following four members: Ms María Dolores Dancausa (Chairwoman), Mr Carlo Clavarino (Member), Ms Maite Arango (Member) and Mr Javier Sendagorta (Member).

- 20 June 2023: ACCIONA reports that the Company is to change its registered address.

  - ACCIONA's Board of Directors has resolved to move the head office of ACCIONA, S.A. from Avenida de Europa 18, Parque Empresarial La Moraleja, 28108 Alcobendas, Madrid to Avenida de la Gran Vía de Hortaleza, 3, 28033 Madrid.

- 28 June 2023: The Company reports that the Annual General Meeting held on 20 June 2023 approved payment of a dividend out of the profit for 2022, which will be payable on 6 July 2023 through the member entities of Sociedad de Gestión de los Sistemas de Registro Compensación y Liquidación de Valores. The relevant dates for the dividend distribution are:

  - Last Trading Date: 3 July 2023

  - ExDate: 4 July 2023

  - Record Date: 5 July 2023

  - Payment Date: 6 July 2023

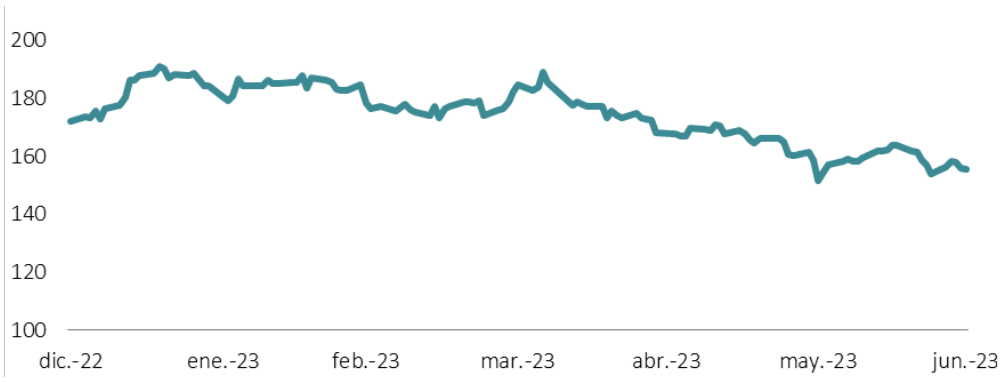
  The €4.5 per share gross dividend approved by the Annual General Meeting has been slightly increased to the amount of EUR 4.50987605 per share due to the direct treasury shares adjustment.

The relevant tax withholding, if any, will be deducted form this amount.

7. Dividend

On 20 June 2023, the Annual General Meeting of the Shareholders approved the payment of a dividend of €4.50 per share for 2022, resulting in a total distribution of €246.8 million payable on 6 July 2023.

8. ACCIONA Share Price Evolution in H1 2023



9. Key Share Data

	30 June 2023
Price at 30 June 2023 (€/share)	155.40
Price at 31 December 2022 (€/share)	171.90
Low in H1 2023 (19/04/2023)	151.30
High in H1 2023 (23/02/2023)	190.90
Average daily trading (shares)	84,494
Average daily trading (€)	14,683,118
Number of shares	54,856,653
Market capitalisation at 30 June 2023 (€ million)	8,525

10. Share capital

As of 30 June 2023, ACCIONA's share capital amounted to €54,856,653, represented by 54,856,653 ordinary shares of €1 par value each.

As of 30 June 2023, the Group held 120,129 treasury shares representing 0.2190% of share capital.

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The ACCIONA Group's continual geographical and industry diversification constitutes a natural mitigating factor in relation to risk and uncertainty. However, this diversification itself may affect the outcome of transactions and of the Group's results.

The ACCIONA Group has established a Risk Management System, which is defined by a series of specific procedures for the identification, assessment and management of risks applying mitigation measures such as transfer of the exposure through insurance cover, market instruments, contractual agreements and the design of more effective policies and processes.

The main risks related with activities that could affect attainment of the Group's goals are as follows:

Regulatory risks

Most of the Group's activities are subject to a broad range of regulations, changes in which can effect its activities and results.

A significant part of the Group's generating activity in Spain is subject to the regulatory framework initially created by Spanish Royal Decree Law 9/2013 and Royal Decree 413/2014, which establishes the *Renewables, Cogeneration and Waste* system (RECORE in the Spanish acronym). The remuneration system established seeks to ensure predictable revenues for regulated generating facilities, and to mitigate their exposure to fluctuations in market prices via reviews of the applicable remuneration parameters every three years (the "regulatory half period"). The legislation also provides for the possibility of future remuneration parameter reviews every six years (the "regulatory period"). Any amendments arising in this respect could affect the results of regulated activities.

Spanish Royal Decree Law 17/2019 set the fair remuneration applicable to the first regulatory period and extensible to the following two (i.e. until 2032). The long-term target return of 7.398% established removed most of the uncertainties associated with the review of the other remuneration parameters, insofar as it guarantees a return for existing generation assets.

The current situation of energy prices, which is mainly a consequence of the Russian invasion of Ukraine, has prompted the Spanish government to launch a series of measures to hold down electricity market prices and other costs associated with the electricity bill.

The main such measures affecting the operations of Acciona Energía are as follows:

- Royal Decree Law 17/2021 established a mechanism to cap the remuneration of non greenhouse gas emitting generating facilities, including those using renewable technologies. This temporary measure has been extended and will now be applied until 31 December 2023. The Royal Decree Law establishes certain exceptions (facilities qualifying for regulated remuneration and hedged sales subject to long-term power purchase agreements) applicable to a significant part of Acciona Energía's portfolio of generation assets.
- Royal Decree Law 10/2022 establishes a production costs adjustment mechanism to reduce the price of electricity in the wholesale market. Given that the measures provided in Spanish Royal Decree Law 10/2022 affect the Iberian electricity market as a whole, meanwhile, Portuguese Decree Law no. 33/2022 of 14 May (*Decreto-Lei n.º 33/2022 de 14 de maio*) implements the same arrangements so as to harmonise the reforms applied.

  In both cases the legislation, dubbed the "Iberian exception, establishes a cost adjustment (clawback) mechanism applicable throughout the year following enactment with the aim of lowering the price of power by

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limiting the gas cost component embedded in the retail energy price at any given moment. This temporary measure has been extended and will apply until 31 December 2023.

The impact of legislation described on the operations of ACCIONA Energía will be very limited in the second half of 2023, as both current and expected gas and electricity prices are now significantly lower than they were when the cap and clawback measures were designed. For example, the Iberian exception is not in fact expected to apply to energy prices at all until the late in the year.

On the international scene, ACCIONA seeks to reduce its exposure to market risk via private power purchase agreements (PPAs), which establish the future prices payable by buyers over the agreed term of the transaction, thereby limiting the risk of possible changes in market prices.

In addition to hedging via PPAs, ACCIONA Green Energy also manages exposure to market fluctuations using derivative instruments, which are measured monthly to ensure that the risk margin is within the limits established by the Group Finance Department.

Financial risks

In order to manage the financial risks inherent in its operations, the Group analyses the degree and size of its exposure to market risk (which includes interest rate, currency and price risks), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks using appropriate derivative financial instruments, subject to the parameters of the risk management policies approved by the Board of Directors. These risk management policies frame the guidelines applicable to the management of exchange rate risk, interest rate risk, supply chains, credit risk, use of derivative and non-derivative financial instruments, and the investment of surplus cash balances.

Interest rate risk: The risk associated with fluctuations in interest rates is particularly significant in relation to the financing of Infrastructure projects, especially in the Concessions and Water activities, and to the construction of electricity generating facilities such as wind farms and solar parks (ACCIONA Energía). Given the large loans needed to finance such projects, even small changes in interest rates can significantly impact ACCIONA's balance sheet and income statement.

This risk hedged based on estimated future trends in the interest rate curve, and on the purpose and nature of the associated financing arrangements. With some exceptions, the Group arranges fixed-to-variable interest rate swaps (IRS contracts), under which it pays interest at a fixed rate and receives interest at a variable rate.

The effects of changes in the interest rates charged on variable interest bearing debt are measured quarterly. This is done by means of sensitivity analyses designed to test different scenarios involving both increases and decreases in the applicable interest rates.

The Group is mainly exposed to Euribor, which is the primary benchmark rate for euro-denominated borrowings. A transition is currently in progress towards the use of risk-free rates (RFR), as a result of which the USD Libor ceased to be published and was replaced by SOFR in June 2023, while the CDOR rate will be phased out in favour of CORRA in June 2024. The ACCIONA Group has already adapted most of the loans and derivative contracts affected by the transition to RFR as of 30 June 2023.

Currency risk: The risk associated with changes in exchange rates arises from the appreciation or depreciation of the currencies in which the Group operates with respect to the functional currency of the Parent Company, which is used to present its financial results. ACCIONA's increasing internationalisation has increased its exposure to exchange rate risk on transactions in the currencies of the countries where it invests and operates. Exchange rate risks mainly affects investments, debt, procurements and services denominated in currencies other than the euro, as well as collections and payments in foreign currencies. The main currencies to which the Group is exposed are the euro, the US dollar and the Australian dollar.

Fluctuations in exchange rates affect the carrying amounts of both assets and liabilities through the consolidation of companies whose financial statements are not denominated in euros (fair value), and the income statement given the significant volume of foreign currency transactions (cash flows).

In order to mitigate exchange rate risk, the ACCIONA Group seeks natural hedges to match collections to payments in each currency. Meanwhile, long-term asset financing is arranged as far as possible in the currencies in which assets are denominated (other than the euro) given prevailing market conditions. Where it is not possible to establish a natural exchange rate edge of this kind, ACCIONA examines the possibility of contracting exchange rate insurance to hedge expected cash flows within reasonable risk limits.

Quarterly sensitivity analyses are carried out to test the impact of possible changes in exchange rates by simulating the effects on the Group's equity any appreciation/depreciation of the euro against the main currencies in which the Group holds investments and operates.

Credit risk: The risk that counterparties might default on their contractual obligations is mitigated by negotiating only with solvent third parties and seeking sufficient guarantees to mitigate the risk of financial losses due to default. Furthermore, the Group only contracts with entities with a similar or higher investment rating than its own, and it actively seeks information on its counterparties through independent rating agencies, other public sources of financial intelligence and from its relations with its own customers.

Trade bills and receivables relate to a large number of customers spread across a broad range of industries and geographical regions. Credit relations with customers and solvency are assessed on an on-going basis, and the Group contracts credit insurance where necessary. Default risk affecting the principal business areas is assessed before entering into contracts with public or private customers. Assessment includes both a solvency study and oversight of contractual conditions from the standpoint of financial and legal guarantees. Due settlement of receivables is tracked on an ongoing basis over the whole course of projects and any necessary adjustments are made applying financial criteria.

ACCIONA evaluates the need to contract export credit insurance policies covering political and credit risks in order to minimise the risks inherent in internationalisation, guarantee the recovery of receivables and protect against default, thereby limiting any possible losses that could arise as a result of the materialisation of significant political and/or credit exposures.

The Group is not materially exposed to credit risk with any of its customers or with classes of similar customers. Credit risk is not significantly concentrated.

Liquidity risk: The ACCIONA Group manages liquidity risk on a prudent basis, maintaining adequate levels of cash and cash equivalents.

Ultimate responsibility for liquidity risk management rests with the General Business, Finance and Sustainability Department, which has established an appropriate framework to control the Group's short, medium and long-term liquidity needs. The Group manages liquidity risk by holding adequate reserves, seeking appropriate banking services and ensuring the availability of loans and credit facilities, tracking projected and actual cash flows on an ongoing basis and matching them with financial asset and liability maturity profiles.

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ESG Risks

The ESG risk assessment process establishes, in the first place, an analysis of the materiality of ACCIONA's exposure to risks relating to the environment, social responsibility and governance, at the same time throwing light on the possible economic impacts that could arise for the company were any risks to materialise and providing a basis for the on-site risk response measures implemented or planned at operational facilities.

ACCIONA continued with the implementation of measures to upgrade its ESG Risk Management System in the first half of 2023.

— Increase in the level of local granularity at all of the company's facilities

— Increase in the ESG variables subject to standard assessment (30 variables)

— Increase in the volume of information obtained at the local level, focusing in particular on facilities presenting higher levels of inherent risk

— More detailed reporting in relation to risk mitigation measures implemented or planned at the project level

The system is designed to identify facilities with potentially high levels of exposure, permit a second, specific analysis to match general findings with specific causal factors, and pinpoint successful mitigation measures so as to spread their use and/or drive the proposal of new initiatives.

Climate risks

Climate risks are managed by ACCIONA applying a special corporate procedure, which identifies, measures, prioritises and reports risks associated with climate change to the Company's executive management, where they could affect the Group and its facilities.

This process forms the basis for the implementation of policies and tolerance thresholds designed to provide reasonable assurance that objectives will be achieved within the time horizons established in the short term (1 year), medium term (5 years covered by the Sustainability Master Plan) and long term (10 years, given observable observation of megatrends and tracking of existing science-based targets (SBTs).

ACCIONA identifies risks and opportunities using tools such as its digital climate change model, which tracks both historic and projected climate variables in different scenarios and time horizons, as established in the recent reports of the Intergovernmental Panel on Climate Change (IPCC).

This tool is used to track production, financial, emissions and power consumption variables. It also contains data referring to climate policies and carbon markets in each region. Other tools aside from the digital model are also used to identify legal requirements.

The expertise of the members of the climate risk assessment task force appointed by the Global Sustainability Department and the experience gained by the different business units is essential to the climate risk analysis and management process. Using the tools described, the task force prepares a battery of climate risk scenarios affecting all of the Company's facilities, CGUs and/or activities (and its value chain) based on geographical location, type of activity and vulnerability, as measured by a series of key indicators.

The climate scenarios most commonly used to identify risk exposures are as defined in the latest IPCC reports and in the proposals published by the Network for Greening the Financial System (NGFS). Within the NGFS framework, ACCIONA prioritises the Current Policies scenario (physical risks) and the NGFS Delayed Transition or Divergent Net Zero scenarios (transition risks) in its climate risk assessments.

The most likely situations involving climate risk in terms of occurrence and economic and financial and/or reputational impacts are treated as material, entailing the preparation of specific treatment papers to inform the Company's decision-making bodies of the current status of risks and the management options available (mitigation, adaptation, transfer or acceptance of the risk, as well as estimates of the associated costs.

Once identified and analysed, climate risks are included in ACCIONA's general Risk Management System. The relevant tolerance levels are then determined and a report is submitted to senior management.

Supply chain risk

ACCIONA considers supply chain management as a strategic priority for its business and a key source of opportunity for value generation. The overall geopolitical context and worsening effects of the climate crisis have intensified fluctuations in commodities prices, making the supply chain a driver of financial risks and opportunities capable of impacting the whole of the Company's value chain. This is reflected in the investment made by ACCIONA in the creation of an enhanced Risk and Opportunity Control System for its supply chain, among other measures. The System uses the latest technology, including Artificial Intelligence, to extend real-time monitoring throughout 100% of the supply chain. The new model provides ACCIONA with a standard methodology in line with the latest legislation and guidelines, including the EU's proposed Corporate Sustainability Due Diligence Directive, the UK Modern Slavery Act and Bribery Act, the GHG Protocol and the GRI standards.

Despite persistently high inflation, trends in the different commodities markets have been generally positive and prices finally appear to be stabilising in most markets. Even so, ACCIONA continues to watch the markets closely, paying particular attention to 1) inflationary trends in specific markets, 2) the announcement of economic recession in Germany, and 3) political tensions between China and the USA over the conflicts in Ukraine and Southeast Asia (Taiwan).

By way of illustration, the price of steel, a key input for ACCIONA, fell generally in all markets in the second quarter of the year, a development not seen since June 2022. Nevertheless, assessment of the global market outlook requires ongoing scrutiny of events in China, which produces more than 50% of the world's steel.

The Procurements department continues constantly to strengthen market and commodities monitoring and control activities. Given the importance of this information for business and project decision-making and risk management purposes, the real-time monitoring processes are now backed by periodic analysis and distribution of key data in detailed reports and bulletins published worldwide. Meanwhile, the Contracts and Procurement departments continue to coordinate they work to support negotiations and price review processes in both tender processes and in the execution of projects, especially in the Infrastructure activity.

Logistics is another key link in the ACCIONA supply chain. Prices have generally stabilised in this area too, but the Company continues to monitor road haulage conditions closely given the evident shortage of drivers both in Europe and, particularly, in Spain following the government's decision to cut fuel subsidies for heavy goods vehicles.

Low water levels in the Panama canal remain a concern in the area of maritime transport, requiring ongoing tracking of the situation, which could eventually force ships using the routes to reduce cargoes, weight and capacity. Meanwhile, shipping lines expect prices to rise early in the second half of 2023 due to a forecast demand peak towards late in the year. Finally, a possible trade agreement is expected between the European Union and Australia, where ACCIONA's projects and business needs are growing.

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Compliance risk

ACCIONA has implemented a Compliance Model to mitigate exposures in the area of regulatory compliance. This Model addresses both crime-prevention compliance in general and specific risks such as corruption and breaches of environmental, health and safety, competition and tax regulations.

Compliance Model is based on internal control processes and systems designed to prevent, detect and correct cases of wrongdoing and non-compliance, adopting an approach based on continuous improvement. The Model is supervised both internally and externally, having been certified under ISO 37001 – *Anti-Bribery Management Systems* and the Spanish UNE 19601 standard on *Criminal Compliance Management Systems*.

Based on the activities by the Group, the main exposures identified in ACCIONA, S.A. and in the Infrastructure, Construction, Water, Concessions and Energy divisions in 2023 relate to political and business corruption and are classified as medium risk (watch), while other criminal risks are classified as low level exposures (maintain).

The main uncertainties affecting the Compliance Model relate to regulatory changes, including both recent measures and others expected in the short to medium term. European Directive (EU) 2019/1937 was transposed into Spanish law in the first half of 2023, raising the regulatory bar with regard to the structure and management of internal information channels. Meanwhile, the increasing regulation of due diligence by companies in the areas of sustainability and human rights remains a source of uncertainty and will imply ever tougher requirements in the area of compliance risk management processes and reporting.

Regulation of the criminal liability of legal entities has grown ever tougher in the jurisdictions where the Group operates in view of which ACCIONA has adopted a risk-based approach to the analysis and mitigation of exposures.

Activities are also affected by other external factors, as follows.

Adverse changes in the political and regulatory environment in the countries where the Group operates, and periods of political transition can impact operations, shifting the priorities involved in a given activity or changing the problems affecting the execution of works or provision of services, and resulting in fines and penalties that in turn impact ACCIONA's financial position and results.

The international sanctions adopted in response to Russia's invasion of Ukraine have been addressed in all dealings with investors who are potentially subject to such measures. This situation primarily affects Bestinver and ACCIONA Inmobiliaria. The Company also applies sanctions-related controls in the context of procurement and contracting processes involving commercial partners and consultants.

ACCIONA has various insurance programmes to mitigate potential balance sheet impacts arising from the materialisation of a large number of risks. In particular, cover has been contracted for cyber risks that could cause loss of income, extra costs or expenses to recover digital assets, potential claims for damages by customers or third parties as a result of breaches of privacy and data protection, and cybersecurity incidents, among other exposures.

APPENDIX I

Definition of Alternative Performance Measures (APMs)

This Consolidated Directors' Results Report contains certain measures of financial performance and situation meeting the definition of APMs included in the ESMA Guidelines. The reconciliations of these APMs with reported figures provided below include certain abbreviations and expressions, the meanings of which are as follows:

Expression	Meaning
P&L	CONSOLIDATED INCOME STATEMENT
BS	Consolidated balance sheet
CHQ	Consolidated statement of changes in equity
CFS	Consolidated cash flow statement
APM	Alternative Performance Measure as defined above
Note xx	Reference to the accompanying Notes to the Consolidated Annua Accounts
NOD	Non Observable Data

Certain APMs relating to Cash flow are calculated using the indirect method (i.e. based on changes in balances). This complicates the calculation and requires a level of detail that makes it impractical to obtain it exclusively from directly observable data contained in the financial statements. Data that is not directly observable includes, for example, the adjustments made to offset changes in balances that do not represent cash flows, such as reclassifications, which are not explained in the notes to the consolidated financial statements because of their immateriality. However, the use of non-observable data represents only a small proportion of the total and is not material. Non-observable data are identified by the expression NOD.

EBITDA or gross operating profit: This is a measure of operating performance (before provisions and accruals) that is widely used in the business world as an approximate measure of the capacity to generate operating cash flow before income taxes and allows for like-for-like sectoral and cross-sectoral comparisons between businesses. It is also useful as a measure of solvency, especially when related to *Net Financial Debt* (see definition below).

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Revenue	P&L	7,056
Other revenue	P&L	521
Change in inventories of finished goods and work in progress	P&L	157
Cost of goods sold	P&L	-2,341
Personnel expenses	P&L	-1,329
Other operating expenses	P&L	-3,246
Equity method profit/(loss) - analogous	P&L	106
Gross operating profit (EBITDA)		924

EBITDA Margin: Ratio expressing the profitability of operating activities in relation to sales. It is an indicator used by management to compare the Group's ordinary results over time and is widely used in the capital markets to compare the results of different companies. It is calculated as the ratio of EBITDA to revenue. It is calculated as the ratio of EBITDA to revenue.

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A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
EBITDA	APM	924
Revenue	P&L	7,056
EBITDA Margin (%)		13.1%

EBT Margin: Ratio expressing the profitability of all activities, taking into account total costs in relation to sales. It is an indicator used by management to compare the Group's ordinary results over time and is widely used in the capital markets to compare the results of different companies. It is calculated as the ratio between profit before tax from continuing operations and revenues.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Profit before tax from continuing operations (EBT)	P&L	691
Revenue	P&L	7,056
EBT Margin (%)		9.8%

Net financial debt (NFD): This measure expresses the Group's borrowings to finance assets and operations expressed on a net basis, i.e. net of balances held in cash and cash equivalents as well as current financial assets, as these are liquid items with a virtual capacity to reduce indebtedness. It is a widely used indicator in capital markets to compare companies and analyse their liquidity and solvency.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Non-current bank borrowings	BS	3,714
Non-current bonds and other non-current marketable securities	BS	3,709
Current bank borrowings	BS	944
Current bonds and other marketable securities	BS	1,077
Total interest-bearing debt		**9,444**
Non-current lease obligations	BS	614
Current lease obligations	BS	108
Lease obligations		**722**
Other current financial assets	BS	-350
Cash and cash equivalents	BS	-2,751
Cash and current financial assets		**-3,101**
Net financial debt		7,066

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Net financial debt excluding IFRS16 (NFD excl. IFRS16): This is another debt measurement, which differs from *Net Financial Debt* in that it does not include *Lease obligations*. This measure is used to analyse the level of the Group's borrowings via debt instruments, expressed on a net basis.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Net financial debt	APM	7,066
Non-current and current lease obligations	BS	-722
Net financial debt, excl. IFRS 16		6,344

Non-recourse debt (project debt): Debt that is not secured by corporate guarantees, so that recourse is limited to the debtor's assets and cash flows.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Non-current and current non-recourse bank borrowings	Note 14	471
Non-recourse debentures, bonds and marketable securities	Note 14	184
Non-recourse debt (project debt)		655

Recourse debt (corporate debt): Debt secured by a corporate guarantee of some kind.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Non-current and current recourse bank borrowings	Note 14	4,187
Recourse debentures, bonds and marketable securities	Note 14	4,602
Recourse debt (corporate debt)		8,789

Financial gearing: This measure shows the relationship between the Group's financial debt and its equity, and it is an indicator of solvency and capital structure in comparison with other companies that is widely used in the capital markets. It is calculated by dividing *Net financial debt* (calculated as explained above) by *Equity.*

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Net financial debt	APM	7,066
Equity	BS	6,881
Financial gearing		103%

Divestments: This measure expresses the sale price obtained for the disposal of significant businesses or cash-generating units (CGUs) which, given that they are carried out within the framework of a divestment strategy, are reported separately so as not to distort the calculation of *Ordinary investment* (gross or net), as defined below. For each period, the notes to the consolidated annual accounts identify the sales transactions that meet the *Divestment* criteria and the consideration obtained, as well as the other circumstances in which these significant divestments are made.

Gross Ordinary Capex: This measure expresses the amounts applied in the period to acquisitions of property, plant and equipment, property investments, rights of use under financial leasing contracts, goodwill, other intangible assets, non-current financial assets and investments accounted for using the equity method, as necessary for the continuation and growth of operations. It shows the Group's ability to grow as a result of increased cash generating capacity and earnings from investments in non-current assets.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Period change in:		
Property, plant and equipment	BS	-1,351
Investment property	BS	-13
Rights of use	BS	-212
Goodwill	BS	-1,245
Other intangible assets	BS	-173
Non-current financial assets	BS	60
Investments accounted for using the equity method	BS	1,003
Systematic adjustments:		
Depreciation and amortisation charge	P&L	-410
Impairments	Note 19	-1
Profit/(loss) on disposal of non-current assets	Note 19	-5
Equity method Profit/(Loss) after tax	Note 9.2	-27
Dividends distributed by companies accounted for using the equity method	Note 9.2	-30
Translation differences and other	Notes 4 to 9	-112
Other corrections/adjustments:		
Perimeter changes	NOD	1,139
Capacity reservation payments	NOD	-175
Non-current financial derivatives	Note 9.1	-47
Other	NOD	-6
Gross ordinary capex		**-1,605**

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Ordinary CAPEX: Measure equivalent to *Gross ordinary capex* but expressed on a net basis, i.e. excluding the variation in *Accounts payable to suppliers of property, plant and equipment*, net of exchange rate fluctuations and including other residual movements associated with investment flows. This ratio represents the variation of *NFD excl. IFRS16* effectively applied to gross ordinary CAPEX in the reporting period.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Gross ordinary capex		**-1,605**
Changes in suppliers of non-current assets	Note 15	-378
Other	NOD	-81
Deferred investments		**-459**
Ordinary CAPEX		-2,064

Net Investment Cash flow or net investment: This measure represents the flow of *Net Financial Debt excluding IFRS 16* used in or obtained from all investment/divestment activities, including the property development business, which is currently in an expansive phase so that inclusion in the investment heading makes it possible to capture the Group's total investment activity (*Real estate inventory*).

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Ordinary CAPEX	APM	**-2,064**
Change in real estate inventories	Note 11	-158
Change in provisions for real estate inventories	Note 11	
Change due to translation differences and other real estate inventories	Note 11	19
Transfers from real estate inventories	Note 11	
Other	NOD	3
Real estate inventories		**-136**
Divestments	APM	
Net investment cash flow		-2,200

Operating Cash Flow: This APM represents the capacity of assets to generate resources in terms of *Net financial debt excluding IFRS16*. The measure also contains data that are not directly observable in the financial statements, although the amount is not material.

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A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
EBITDA	APM	**924**
Interest paid/received	CFS	-119
Financial cash flows		**-119**
Changes in working capital	CFS	-595
Real estate inventories	APM	136
Change in total working capital		**-459**
Systematic adjustments:		
Equity method profit/(loss) - analogous	P&L	-106
Dividends received	CFS	30
Income tax recovered/(paid)	CFS	-139
Change in other amounts received/(paid) relating to operating activities	CFS	-6
Dividends paid to non-controlling interests	CHQ	-46
Other operating cash flows	NOD	-25
Other corrections/adjustments:		
Capital returned to AXA	NOD	-11
Contributions from tax equity investors	NOD	76
Other operating cash flows		**-227**
Operating cash flow		119

Financing and Other Cash Flow: This measure generally, represents the variation in *Net financial debt excluding IFRS16* due to causes other than operating and investing activities. Among other items, it includes: (i) dividend payments to the shareholders of the Group's parent company; (ii) payment of the principal portion of the operating lease payments recognised under IFRS 16; (iii) additions/retirements of *Net financial debt excluding IFRS16* due to inclusion/derecognition of companies in/from the consolidation perimeter; (iv) changes due to variations in the value of debt and exchange rate derivatives; and (v) other residual variations.

A reconciliation with the condensed consolidated financial statements is as follows:

Millions of euros	Source	30.06.2023
Proceeds and payments relating to equity instruments	CFS	
Change in value of current and non-current liabilities for interest and exchange rate hedges	Note 14	-47
Change in value of current financial assets due to interest and exchange rate hedges	Note 9.1	-2
Other	NOD	19
Change in NFD excl. IFRS16 due to derivatives		**-30**
Change in NFD exc. IFRS16 due to exchange differences	NOD	**10**
Dividends paid	CHQ	
Integration of Nordex net debt on first consolidation	NOD	450
Integration of other net debt due to perimeter changes	NOD	30
Nordex convertible bonds	Note 14.2	90
Payments under operating leases	CFS	-72
Other	NOD	2
Perimeter changes and other		**500**
Financing and other cash flows		480

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Backlog: Future revenues relating to orders and contracts entered into with customers. The backlog is calculated as the difference between the amount, expressed in monetary units, of orders and service contracts entered into with customers that have not yet been fully completed/performed less the portion that has already been recognised as income under *Net revenue* in the current or previous years.

Management uses these APMs to make financial, operational and planning decisions, and to evaluate the performance of the Group and its subsidiaries.

Management considers that the APMs provide useful additional financial information to evaluate the performance of the Group and its subsidiaries, and for the purposes of decision-making by the users of the Group's financial information.

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Pursuant to Royal Decree 1362/2007 of 19 October (article 11.1 b), the members of the Board Directors of Acciona, S.A. hereby make the following **declaration under their own responsibility**:

To the best of their knowledge and belief, these Condensed Consolidated Financial Statements are drawn up in accordance with the applicable accounting principles and present a true and fair view of the equity, financial situation and results of the issuer and the companies included in the consolidation perimeter taken as a whole, and the interim directors' report presents a faithful analysis of the information required.

In witness whereof, all the members of the Board of Directors of ACCIONA, S.A. hereby prepare and sign the Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023 at their meeting held on 27 July 2023:

Mr José Manuel Entrecanales Domecq
Chairman

____

Mr Juan Ignacio Entrecanales Franco
Vice-Chairman

____

Mr Jerónimo Gerard Rivero
Coordinating Director

____

Mr Javier Entrecanales Franco
Member

____

Mr Daniel Entrecanales Domecq
Member

____

Ms María Salgado Madriñán
Member

____

Mr Javier Sendagorta Gómez del Campillo
Member

____

Mr José Maria Pacheco Guardiola
Member

____

Ms Maite Arango García-Urtiaga
Member

____

Ms Sonia Dulá
Member *

____

Mr Carlo Clavarino
Member

____

Ms María Dolores Dancausa Treviño
Member

____

Ms Teresa Sanjurjo González
Member

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* Note: For the record, the Members concerned did not prepare and sign this Sworn Declaration, being unable to attend, but they consented to make the same under their own responsibility. Accordingly, the Declaration was signed on their behalf by the Secretary to the Board of Directors, Mr Jorge Vega-Penichet López, following the express instructions issued by said Members.

Doña Francisca Gómez Molina, Traductora-Intérprete Jurada de inglés número 1138, nombrada por el Ministerio de Asuntos Exteriores, Unión Europea y Cooperación certifica que la que antecede en 94 páginas es traducción fiel al inglés de un documento escrito en español. En caso de discrepancia o ambigüedad, prevalecerá lo indicado en el original.
En Madrid, a 7 de septiembre de 2023.

I, Francisca Gómez Molina, Sworn Translator and Interpreter of English no. 1138, authorised by the Spanish Ministry of Foreign Affairs, European Union and Cooperation, hereby certify that the foregoing text, consisting of 94 pages, is a faithful translation into English of a document written in Spanish. In the event of any discrepancy or ambiguity, the original document will prevail.
Madrid, 7 September 2023.

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