Independent Auditor's Report on Acciona, S.A. and Subsidiaries

(Together with the consolidated annual accounts and consolidated directors' report of Acciona, S.A. and subsidiaries for the year ended 31 December 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, 259C
28046 Madrid

Independent Auditor's Report on the Consolidated Annual Accounts

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

To the Shareholders of Acciona, S.A.

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of Acciona, S.A. (the "Parent") and subsidiaries (together the "Group"), which comprise the consolidated balance sheet at 31 December 2023, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Business combinations
See notes 2.2 and 27 to the consolidated annual accounts

Key audit matter	*How the matter was addressed in our audit*
On 27 March 2023, Nordex SE held an extraordinary general meeting at which a capital increase was approved through a non-monetary contribution in the form of the two loans held with Acciona, S.A. plus the interest accrued up to that date, increasing Acciona, S.A.'s interest in Nordex SE from 40.97% to 47.08%. As a result of such transaction and in accordance with the financial reporting framework applicable to the Group, as from 1 April 2023, this investment, which until then had been accounted for using the equity method, has been fully consolidated. As a consequence of this transaction, the Group has recognised goodwill amounting to Euros 1,098 million in the business combination process, calculated as the difference between the fair value of the assets acquired and liabilities assumed and the consideration paid in the business combination. In addition, as a result of the revaluation of the pre-existing 40.97% stake held by the Group at fair value at the acquisition date, a gain of Euros 260 million has been recorded under "Other gains or losses" in the consolidated income statement for 2023. We consider that this transaction is a key audit matter due to its significance and the inherent judgement it requires, as well as the complexity and uncertainty involved in making fair value estimates.	Our audit procedures included the following: • We obtained an understanding of the process and assessed the judgements applied by the Group to conclude on the acquisition of control, as well as the determination of the date when control was taken. • We assessed the appropriateness of the application of the accounting criteria for business combinations carried out in stages. • We assessed and discussed with the Group's management the process of identifying and recognising the assets and liabilities acquired, a process for which the Group was supported by an independent management expert. • We assessed the reasonableness of the methodology and key assumptions used to determine the fair values of the assets and liabilities acquired and their identification, involving our valuation specialists for this purpose; • Furthermore, we assessed whether the disclosures in the consolidated annual accounts on the transaction and the aforementioned process meet the requirements in the financial reporting framework applicable to the Group.

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Revenue recognition by percentage of completion and estimation of margins See notes **3.2(O), 15 and 26** to the consolidated annual accounts	
Key audit matter	*How the matter was addressed in our audit*
A substantial portion of the Group's revenue derives from construction contracts in the Infrastructure division as well as contracts for the production and sale of wind turbines in the Nordex Division, both of which are recognised using the percentage of completion method. The recognition of this revenue requires estimates of aspects such as the margin on each contract, the costs to be incurred and the probability of revenue being received in relation to amounts associated with customer claims, negotiations or disputes, as the case may be. The recognition of revenue and the profit/loss on these contracts therefore entails a high level of judgement by management and the Directors and a control of the estimates made and any deviations that might arise over the contract term. The estimates take into account all costs and revenue directly associated with the contracts, including any additional costs not initially budgeted and any amounts to be recognised as revenue in relation to customer claims or negotiations. The Group recognises revenue in relation to customer claims or negotiations at the amount which it is considered highly probable will not be subject to significant reversal once the inherent uncertainty is resolved, either because negotiations have reached an advanced stage or because there are supporting technical and/or legal reports. Due to the uncertainty associated with these estimates and the fact that changes therein could lead to material differences in the revenue recorded, this has been considered a key audit matter.	Our audit procedures included the following: • We assessed the design and implementation of the key controls relating to the recognition of revenue using the percentage of completion method and to the budget control. • Based on certain quantitative and qualitative selection criteria, we obtained a sample of contracts, for which we evaluated the most significant and complex estimates used by the Group when recognising revenue, having obtained supporting documentation for such estimates and evidence of the judgements made by management and the Directors. • We evaluated the judgements applied by management and the Directors in relation to completed work with progress billings pending which are being claimed from or negotiated with customers, and have been recognised as revenue at the reporting date, as well as the judgement applied in respect of the calculation of the amount of consideration. In this respect, we assessed the status of customer negotiations for the main case files and evaluated the reasonableness and consistency of the documentation supporting such recognition, including, where applicable, the related technical and/or legal reports. • We assessed whether the provisions recognised at year end reasonably reflect the main liabilities and the level of risk of the contracts, assessing the judgement of management and the Directors in these estimates. Among other procedures, we analysed the key clauses of a selection of contracts to assess whether they give rise to obligations and ascertain whether they have been properly recognised in the consolidated annual accounts. • We assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.

Recoverable amount of the property, plant and equipment, intangible assets and right-of-use assets of the Energy division See notes 3.2 (F), 4, 6, 8 and 27 to the consolidated annual accounts	
Key audit matter	*How the matter was addressed in our audit*
At 31 December 2023 the Group has recognised the property, plant and equipment and intangible assets and right-of-use assets of the Energy division for amounts of Euros 10,419 million, Euros 219 million and Euros 476 million, respectively, mainly comprising renewable energy electricity generation facilities in various geographical locations and under different regulatory scenarios. At 31 December 2023 the Group has significant accumulated impairment losses, recognised mainly in prior years. At the reporting date the Group evaluates whether any indications of impairment or impairment reversal have arisen, to determine whether it is necessary to calculate the recoverable amount of the assets or cash-generating units. As a result of the existence of these indicators, the Group has estimated the recoverable amount of certain assets and cash-generating units and has recognised impairment losses amounting to Euros 11 million. To estimate the recoverable amount, the Group uses discounted cash flow valuation techniques that require management and the Directors to exercise judgement and make assumptions and estimates. Due to the high level of judgement and the uncertainty associated with these assessments and estimates, and the significance of the value of the property, plant and equipment, intangible assets and right-of-use assets of the Energy division, their measurement has been considered a key audit matter.	Our audit procedures included the following: • We gained an understanding of the processes followed by the Group in identifying and evaluating impairment indicators and in estimating the recoverable amount of the property, plant and equipment, intangible assets and right-of-use assets of the Energy division. In addition, we assessed the design and implementation of the Group's key controls over this process. • We evaluated the reasonableness of the methodology and assumptions used by the Group when estimating the recoverable amount, with the involvement of our valuation specialists. Moreover, we assessed the sensitivity of the recoverable amount to reasonable changes in the key assumptions, in order to determine their potential impact on the valuation. • We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the applicable financial reporting framework.

Other Information: Consolidated Directors' Report

Other information solely comprises the 2023 consolidated directors' report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors' report is defined in the legislation regulating the audit of accounts, as follows:

a) Determine, solely, whether the consolidated non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.

b) Assess and report on the consistency of the rest of the information included in the consolidated directors' report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2023, and that the content and presentation of the report are in accordance with applicable legislation.

Directors' and Audit and Sustainability Committee's Responsibilities for the Consolidated Annual Accounts

The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's Audit and Sustainability Committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.

Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.

– Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

– Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

– Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Sustainability Committee of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also provide the Parent's Audit and Sustainability Committee with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the Audit and Sustainability Committee of the Parent, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European Single Electronic Format

We have examined the digital files of Acciona, S.A. and its subsidiaries for 2023 in European Single Electronic Format (ESEF), which comprise the XHTML file that includes the consolidated annual accounts for the aforementioned year and the XBRL files tagged by the Parent, which will form part of the annual financial report.

The Directors of Acciona, S.A. are responsible for the presentation of the 2023 annual financial report in accordance with the format and mark-up requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the “ESEF Regulation”). In this regard, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors’ Remuneration by means of a reference thereto in the consolidated directors’ report.

Our responsibility consists of examining the digital files prepared by the Directors of the Parent, in accordance with the prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the consolidated annual accounts included in the aforementioned digital files fully corresponds to the consolidated annual accounts we have audited, and whether the consolidated annual accounts and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined fully correspond to the audited consolidated annual accounts, and these are presented and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

Additional Report to the Audit and Sustainability Committee of the Parent

The opinion expressed in this report is consistent with our additional report to the Parent's Audit and Sustainability Committee dated 29 February 2024.

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

Contract Period

We were appointed as auditor of the Group by the shareholders at the ordinary general meeting on 20 June 2023 for a period of one year, beginning after the year ended 31 December 2022.

Previously, we had been appointed for a period of one year, by consensus of the shareholders at their general meeting, and have been auditing the annual accounts since the year ended 31 December 2017.

KPMG Auditores, S.L.
On the Spanish Official Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Bernardo Rücker-Embden
On the Spanish Official Register of Auditors ("ROAC") with No. 18,836

29 February 2024

ACCIONA, S.A.

AND

SUBSIDIARIES
(Consolidated Group)

CONSOLIDATED
ANNUAL ACCOUNTS
AND DIRECTORS' REPORT
FOR 2023

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

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ACCIONA, S.A. AND SUBSIDIARIES

Consolidated balance sheet for the financial years 2023 and 2022 (millions of euros)

ASSETS	Notes	31.12.2023	31.12.2022
Property, plant and equipment	4	11,655	9,485
Investment property	5	23	168
Right of use	6	824	548
Goodwill	7	1,369	249
Other intangible assets	8	1,567	545
Non-current financial assets	11	184	263
Investments accounted for using the equity method	9	732	1,730
Deferred tax assets	24	1,416	872
Other non-current assets	12	598	545
NON-CURRENT ASSETS		18,368	14,405
Inventories	13	3,067	1,386
Trade and other accounts receivable	15	4,405	3,340
Other current financial assets	11	610	315
Current income tax assets	24	202	141
Other current assets	24,12	949	648
Cash and cash equivalents	16	3,714	2,360
Assets held for sale	14	335	
CURRENT ASSETS		13,282	8,190
TOTAL ASSETS		**31,650**	**22,595**

EQUITY AND LIABILITIES	Notes	31.12.2023	31.12.2022
Share capital	17.a)	55	55
Retained earnings	17.b)	4,690	4,631
Profit attributable to the parent company		541	441
Treasury shares	17.c)	-10	-17
Translation differences	17.d)	-267	-225
Interim dividend			
Equity attributable to equity holders of the Parent Company	**17**	**5,009**	**4,885**
Non-controlling interests	17.f)	1,842	1,419
EQUITY		6,851	6,304
Debentures and other marketable securities	19	4,236	3,101
Current bank borrowings	19	3,809	2,624
Lease obligations	6	687	439
Deferred tax liabilities	24	1,326	890
Provisions	18	809	279
Other non-current liabilities	22	1,668	1,134
NON-CURRENT LIABILITIES		12,535	8,467
Debentures and other marketable securities	19	1,214	1,139
Bank borrowings	19	805	553
Lease obligations	6	124	72
Trade and other accounts payable	23	6,958	3,889
Provisions	18	608	299
Current income tax liabilities	24	87	74
Other current liabilities	22	1,963	1,798
Liabilities associated with assets held for sale	14	505	
CURRENT LIABILITIES		12,264	7,824
TOTAL EQUITY AND LIABILITIES		**31,650**	**22,595**

The accompanying notes 1 to 36 and the appendices are an integral part of the 2023 consolidated annual accounts.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

ACCIONA, S.A. AND SUBSIDIARIES

Consolidated income statement for the financial years 2023 and 2022 (millions of euros)

	Notes	31.12.2023	31.12.2022
Revenue	26	17,021	11,195
Other revenue	26	946	1,016
Change in inventories of finished goods and work in progress	13	388	72
Cost of goods sold	27	-5,853	-3,483
Personnel expenses	27	-2,927	-2,077
Other operating expenses	27	-7,746	-4,814
Depreciation and amortisation charge and change in provisions	3,4,5,6,7,8,27	-1,101	-762
Impairment and profit/(loss) on disposals of non-current assets	27	-12	15
Other gains or losses	27	383	13
Equity method profit/(loss) - analogous	9	152	159
OPERATING PROFIT		1,251	1,334
Financial income	29	169	47
Financial costs	29	-514	-256
Foreign exchange rate changes			8
Profit/(loss) from changes in value of financial instruments at fair value	27	17	-70
Equity method profit/(loss) – non-analogous	9	-104	-194
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		819	869
Income tax expense	24	-198	-254
YEAR'S PROFIT FROM CONTINUING OPERATIONS		621	615
Profit/(Loss) after tax from discontinued operations			
YEAR'S PROFIT		621	615
Non-controlling interests	17	-80	-174
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY		541	441
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euros)	32	9.89	8.06
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euros)	32	9.89	8.06
BASIC EARNINGS PER SHARE (Euros)	32	9.89	8.06
DILUTED EARNINGS PER SHARE (Euros)	32	9.89	8.06

The accompanying notes 1 to 36 and the appendices are an integral part of the 2023 consolidated annual accounts.

ACCIONA, S.A. AND SUBSIDIARIES

Consolidated statement of comprehensive income for the financial years 2023 and 2022 (millions of euros)

	Notes	2023	2022
A) CONSOLIDATED PROFIT FOR THE YEAR		621	615
1. Profit attributed to the Parent Company		541	441
2. Non-controlling interests		80	174
B) ITEMS THAT MAY NOT BE RECLASSIFIED TO THE INCOME STATEMENT		-1	1
1. Revaluation/(Reversal of revaluation) of property, plant and equipment and intangible assets			
2. Revaluation of financial instruments	17		
3. Actuarial gains or losses and other adjustments	18	-1	1
4. Tax effect			
C) ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT		-237	379
Income and expense recognised directly in equity		-112	402
1. Cash flow hedges	21	39	399
2. Translation differences		-141	104
3. Other income and expenses recognised directly in equity			
4. Tax effect		-10	-101
Transfers to the income statement		-125	-23
1. Cash flow hedges	21	-236	-31
2. Translation differences		52	
3. Other income and expenses recognised directly in equity			
4. Tax effect		59	8
TOTAL RECOGNISED INCOME / (EXPENSE) (A+B+C)		383	995
a) Attributed to the Parent Company		357	776
b) Attributed to non-controlling interests		26	219

The accompanying notes 1 to 36 and the appendices are an integral part of the 2023 consolidated annual accounts.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

ACCIONA, S.A. AND SUBSIDIARIES
Consolidated statement of changes in equity at 31 December 2023 (millions of euros)

	Equity attributable to the Parent Company							
	Shareholders' equity							
	Share capital	Share premium, reserves and interim dividend	Treasury shares	Profit attributable to the Parent Company	Other equity instruments	Valuation adjustments	Non-controlling interests	Total equity (note 17)
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)				541		-184	26	383
Transactions with shareholders or owners		-241	4				397	160
Capital increases/(reductions)								
Conversion of financial liabilities into equity		29					32	61
Dividends paid		-247					-78	-325
Treasury share transactions (net)		-3	4					1
Increases / (Decreases) due to business combinations							506	506
Other transactions with shareholders or owners		-20					-63	-83
Other changes in equity		442	3	-441				4
Share-based payments		5	3					8
Transfers between equity accounts		441		-441				
Other changes		-4						-4
Closing balance at 31.12.2023	**55**	**4,619**	**-10**	**541**		**-196**	**1,842**	**6,851**

The accompanying notes 1 to 36 and the appendices are an integral part of the 2023 consolidated annual accounts.

ACCIONA, S.A. AND SUBSIDIARIES

Consolidated statement of changes in equity at 31 December 2022 (millions of euros)

	Equity attributable to the Parent Company							
	Shareholders' equity							
	Share capital	Share premium, reserves and interim dividend	Treasury shares	Profit attributable to the Parent Company	Other equity instruments	Valuation adjustments	Non-controlling interests	Total equity (note 17)
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)				441		335	219	995
Transactions with shareholders or owners		-208	-2				-46	-256
Capital increases/(reductions)								
Conversion of financial liabilities into equity								
Dividends paid		-225					-28	-253
Treasury share transactions (net)		1	-2					-1
Increases / (Decreases) due to business combinations							3	3
Other transactions with shareholders or owners		16					-21	-5
Other changes in equity		336	3	-332			1	8
Share-based payments		4	3					7
Transfers between equity accounts		332		-332				
Other changes							1	1
Closing balance at 31.12.2022	**55**	**4,418**	**-17**	**441**		**-12**	**1,419**	**6,304**

The accompanying notes 1 to 36 and the appendices are an integral part of the 2023 consolidated annual accounts.

ACCIONA, S.A. AND SUBSIDIARIES

Consolidated statement of cash flows for financial years 2023 and 2022 (millions of euros)

	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		1,695	1,648
Profit before tax from continuing operations		**819**	**869**
Adjustments for:		**934**	**927**
Depreciation and amortisation charges and change in provisions	4,5,6,7,8,13,27	1,094	848
Other adjustments to profit (net)	9,26,27,29	-160	79
Changes in working capital		**225**	**135**
Other cash flows from operating activities:		**-283**	**-283**
Interest paid	29	-485	-209
Interest received	29	138	40
Dividends received	9	53	89
Income tax recovered/(paid)	24	-329	-215
Other amounts received/(paid) relating to operating activities	12,22	340	12
CASH FLOWS FROM INVESTMENT ACTIVITIES	5,6,8,11	-3,208	-1,944
Payments due to investment:		**-3,059**	**-2,439**
Group companies, associates and business units		-165	-244
Property, plant and equipment, intangible assets, investment property and financial investments	4,5,8,11	-2,894	-2,195
Proceeds from disposal:		**53**	**98**
Group companies, associates and business units		2	51
Property, plant and equipment, intangible assets, investment property and financial investments	4,5,8,11	51	47
Other cash flows from investment activities:		**-202**	**397**
Other amounts received/(paid) relating to investment activities		-202	397
CASH FLOWS FROM FINANCING ACTIVITIES		2,903	338
Proceeds and payments relating to equity instruments:	**17**	**1**	-1
Purchases			-1
Disposals		1	
Proceeds and payments relating to financial liability instruments:	**19**	**3,041**	**835**
Proceeds from issues		4,434	4,021
Repayments and redemptions		-1,393	-3,186
Payments of principal on operating leases	**6**	**-144**	**-120**
Dividends and returns paid on other equity instruments	**17**	**-325**	**-253**
Other cash flows from financing activities		**330**	**-123**
Other amounts received/(paid) relating to financing activities	11,22	330	-123
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		-36	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,354	42
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	16	2,360	2,318
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	16	3,714	2,360
COMPONENTS OF CASH AND CASH EQUIVALENTS AT YEAR END			
Cash on hand and at banks	16	2,868	1,898
Other current financial assets	16	846	462
TOTAL CASH AND CASH EQUIVALENTS AT YEAR END		3,714	2,360

The accompanying notes 1 to 36 and the appendices are an integral part of the 2023 consolidated annual accounts.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS OF ACCIONA, S.A. AND SUBSIDIARIES FOR THE YEAR ENDED 31 DECEMBER 2023

1. Group Activities

Acciona, S.A. (the "Parent Company" or the "Company") is a Spanish registered concern, which together with its subsidiaries forms 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, chief among them Energy and Infrastructure. A full breakdown of the Group's businesses is as follows:

- Energy: instrumented through the majority shareholding in Corporación Acciona Energías Renovables, S.A. (CAER or Acciona Energía). This business 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. Given their strategic importance to the economy and society as a whole, generation and energy supply activities are heavily regulated by government. Key features of the regulatory frameworks applicable to these activities are described in Appendix VI.

- Infrastructure comprises the following activities:

    - Construction: infrastructure projects, as well as turnkey (EPC) projects for the construction of power 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.

    - Urban and Environmental Services: primarily delivery of Citizen Services.

- Nordex: In March 2023, Acciona increased its interest in Nordex SE to 47.08%, thereby taking control of the Nordex group, which is now fully consolidated. In accordance with IFRS 8, the Acciona Group treats Nordex SE as an operating segment subject to separate reporting (see Notes 2 and 28). Nordex' principal activity is the design, development, manufacture, sale and subsequent operation and maintenance of wind turbines and turbine components.

- Other Activities: 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 28 *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 of the annual accounts and consolidation principles

2.1 Basis of presentation

The consolidated annual accounts of the Acciona Group for 2023 were prepared by the Directors of Acciona, S.A. at the Board meeting held on 29 February 2024 to provide a true and fair view of the Group's equity and consolidated financial position at 31 December 2023, and of the results of its operations, changes in the consolidated statement of comprehensive income, and changes in consolidated equity and consolidated cash flows in the year then ended.

The 2023 annual accounts were prepared 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 (EU-IFRS), in conformity with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council. The main mandatory accounting principles and measurement criteria applied, the alternative treatments permitted by the relevant legislation in this respect, and the standards and interpretations issued but not yet in force at the date of formal preparation of these annual accounts are summarised in Note 3.

These annual accounts were prepared on the basis of the accounting records kept by the Parent Company and by the other Group companies, which include figures relating to joint ventures, groupings and consortia considered to be joint operations in which the Group companies hold interests based on the percentage ownership of the assets, liabilities and operations of these entities after the requisite elimination of asset and liability balances, as well as operations carried out in the year.

The figures for the previous year are presented in these annual accounts for comparative purposes in addition to the figures for 2023. Figures are presented for each line of the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in total equity and consolidated statement of cash flows, and in the notes to the consolidated annual accounts. The prior year's figures were obtained applying IFRS standards on a consistent basis.

The Acciona Group's 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 2023 have not yet been approved by the shareholders at the Annual General Meeting. However, the Parent Company's Board of Directors considers that the annual accounts will be approved without material changes.

Unless otherwise indicated, these consolidated annual accounts are presented in millions of euros. Foreign operations are accounted for in accordance with the policies described in Notes 2.2 g) and 3.2 Q).

2.2 Consolidation principles

a. Consolidation methods

The companies over which control is exercised within the meaning of IFRS 10 were fully consolidated. These companies are considered subsidiaries and they are listed in Appendix I. The consolidation method applied is explained in section d. of this note.

Entities managed jointly with third parties as a joint operation are proportionately consolidated when it may be concluded that a partner has direct rights and obligations proportional to its percentage share in assets and liabilities under the agreement. This consolidation method is explained in section e. of this note. Agreements that confer joint control by means of separate vehicles are listed in Appendix II.

Finally, companies not included in the previous paragraphs are classified as joint ventures or associates where the Group exercises significant influence over their management, and they are measured applying the equity method (Appendix III). This consolidation method is explained in section f. of this note.

b. Eliminations on consolidation

All material balances and effects of transactions between subsidiaries were eliminated on consolidation.

Gains on transactions with associates and jointly controlled entities are eliminated to the extent of the Group's percentage share in equity. Exceptionally, profits or losses arising on internal transactions with Group companies, jointly controlled entities, or associates in connection with certain concession-related activities were not eliminated, in accordance with the accounting standards applied.

c. Uniformity

The accounting policies of the subsidiaries have been adapted to the Group's accounting policies for transactions and other events which, being comparable, have occurred in similar circumstances. All material adjustments required to adapt the individual financial statements of subsidiaries to International Financial Reporting Standards and/or to make them compliant with the Group's accounting policies were considered in the consolidation process.

The individual financial statements of subsidiaries used in the consolidation process refer to the same reporting date and period as those of the Company.

d. Subsidiaries

Subsidiaries are defined as companies over which the Company has the capacity to exercise effective control. This capacity is generally reflected in the presence of three necessary elements, namely authority over the subsidiary, exposure to or the right to receive variable returns on the investment made, and the ability to use said authority to influence the amount of such returns.

The annual accounts of the subsidiaries are fully consolidated with those of the Company. Accordingly, all material balances and effects of transactions between consolidated companies were eliminated on consolidation.

When a subsidiary is acquired, its assets, liabilities and contingent liabilities are measured at fair value at the date of the acquisition of control, in accordance with IFRS 3 – *Business Combinations*. Any excess in the cost of acquisition over the fair values of the identifiable net assets is recognised as goodwill. If the cost of acquisition is lower than the fair value of identifiable net assets, the difference is credited to profit and loss at the acquisition date.

For subsidiaries acquired during the year, only the results generated from the date of acquisition are included in the consolidation. Similarly, for subsidiaries disposed of during the year, only the results generated up to the date of disposal are included in the consolidated income statement.

Interests owned by non-controlling shareholders are stated in proportion to the fair values of assets and liabilities recognised.

The share of third parties in the equity of investees is presented in the Group's equity under *Non-controlling interests* in the consolidated balance sheet. Similarly, third-party interests in the profit or loss for the year is presented under *Non-controlling interests* in the consolidated income statement.

e. Joint operations

Joint arrangements are ventures in which the investee is managed by a Group company and one or more unrelated third parties, all of whom act jointly to manage the relevant activities and adopt strategic and management decisions with the unanimous consent of the parties.

Joint operations are defined as arrangements in which the investing company is deemed to hold direct rights and obligations equal to its percentage share in assets and liabilities under the joint arrangement.

The financial statements of joint operations are proportionately consolidated with those of the Company, and therefore, the aggregation of balances and subsequent eliminations are only applied in proportion to the Group's share in the assets and liabilities, and in the income and expenses of these operations, provided that they are considered to be carried out with third parties or with the other operator.

The assets and liabilities of joint operations are recognised in the consolidated balance sheet classified according to their specific nature. Similarly, the income and expenses from joint operations are disclosed in the consolidated income statement based on their nature.

Where the percentage share in a joint operation increases, the previous share held in its individual assets and liabilities is not revalued, provided the Group maintains joint control.

f. Associates and joint ventures

Investments in associates and joint ventures (joint arrangements conferring rights over the net assets of the arrangement) are recognised in the consolidated annual accounts applying the equity method, i.e. at the Group's share in the net assets of the investee taking into account any dividends received and other equity eliminations.

The value of these investments on the consolidated balance sheet implicitly includes goodwill arising on their acquisition, where applicable.

When the Group's investment in associates results in losses and the net investment is reduced to zero, only the additional amount in respect of constructive obligations assumed by the Group in the subsidiaries, if any, is accounted for using the equity method and recognised under *Non-current provisions* in the consolidated balance sheet.

In order to disclose results uniformly, the Group's share in the profit or loss of associates is disclosed in the consolidated income statement before and after tax.

The Group recognises the results of joint ventures and associates conducting activities that fall within the Group's corporate purpose and in which the Group has a high level of involvement under *Equity method profit/(loss)- analogous*, which is considered an integral part of operating profit or loss. The results of investments in joint ventures and associates which are more closely related to financial investments for the Group, as they conduct activities unrelated to the Group's core business, are recognised under operating profit or loss, specifically under *Equity method profit/(loss)- non-analogous*.

g. Translation differences

The assets and liabilities of Group companies with a functional currency other than the euro are translated to euros at the exchange rates prevailing at the balance sheet date as part of the consolidation process. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly. Capital and reserves are translated at historical exchange rates. Translation differences, if any, are classified as equity. Such translation differences are recognised as income or expenses in the year in which the investment is made or disposed of.

h. Changes in the scope of consolidation and non-controlling interests

Appendices I, II and III contain relevant information about the Acciona Group's subsidiaries, joint operations instrumented through separate vehicles, associates and joint ventures, and Appendix IV shows the changes in the scope of consolidation arising in the year. The following material changes affecting the consolidation perimeter occurred in the year ended 31 December 2023:

Nordex

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 the assessment of control over this subsidiary were the possession of the majority of voting rights, given the significant dispersion of ownership, and the variable returns obtained on the Group's 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 which was critical to Nordex' ability to raise finance in the year. 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 with full consolidation of the new 47.08% interest, applying the stepwise business combination rules established in IFRS 3.

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 consolidated income statement under *Other gains and losses*.

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

Company	Cost of acquisition	Percentage interest acquired	Fair value of assets and liabilities acquired	Goodwill
Nordex SE	1,447	47.08%	742	1,098

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Non-controlling interests were recognised at the fair value of the net assets identified in line with their percentage holdings in share capital.

The cost of acquisition comprises (i) the fair value of the existing 40.97% 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 with the assistance of an independent third party for the purposes of purchase price allocation (PPA).

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

	Nordex SE
Other intangible assets	1,035
Other non-current assets	1,107
Non-current assets	2,141
Inventories	1,164
Trade and other accounts receivable	807
Other current assets	277
Cash and cash equivalents	518
Current assets	2,766
Total identifiable assets	4,907
Non-current liabilities	1,057
Current liabilities	3,108
Total identifiable liabilities	4,165
Total net identifiable assets	**742**

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 assets identified in the fair value analysis comprised *Other intangible assets*, which included brands totalling €336 million, a portfolio of service agreements worth €414 million and technological developments for €109 million, and *Other non-current assets*, consisting of land and buildings amounting to €49 million (see Notes 4 and 8).

In the case of liabilities, provisions totalling €354 million were identified in respect of the potential outcomes of ongoing litigation and arbitration proceedings involving Nordex at the time of the acquisition and, in general, amounts set aside to cover uncertainties inherent in the subsidiary's activity (see Note 18).

The key factors considered in the identification of the above-mentioned assets were:

- Brands: The Nordex brand was treated as a material competitive advantage of the subgroup. The main assumptions adopted comprised revenue, WACC of 9.5% and indefinite useful life.

- Technology: Nordex invests in ongoing development of wind turbines to improve their efficiency and energy output, and technology is therefore a key factor. In particular, the subsidiary has developed the Delta 4000 series, a turbine platform suitable for use worldwide that meets all customer needs. The main assumptions adopted comprised project-related revenue, useful life of 11 years and WACC of 8.5%.

- Service agreements portfolio: This item consists of Nordex' portfolio of operation and maintenance contracts. The main assumptions considered were revenues, WACC of 8%, useful life of 8 years and the EBITDA margin earned on services of this nature.

The Income Approach was applied to the valuation in all cases.

The net revenues contributed by the Nordex SE subgroup between the date of the business combination and 31 December 2023 totalled €5,272 million, on which it reported a net loss after tax of €88 million. Had the business combination taken place on 1 January 2023, the net revenues contributed would have been €6,489 million, and the net loss would have been €303 million. The functional currency used by Nordex SE is the euro.

Renomar

In April 2023, Acciona Generación Renovable, S.A., a 100% subsidiary 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 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 Group already owned the other 50% of Renomar's share capital, an investment that was accounted for using the equity method. As a consequence of this acquisition, CAER has indirectly increased its shareholding in Energías Renovables Mediterráneas, S.A. by 25% to 75%, thereby acquiring full 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 (millions of euros):

Company	Cash payment made (25%) [a]	Prior shareholding (50%) [b]	Cost of acquisition [a + b]	Percentage effective ownership	Fair value of assets and liabilities acquired
Renomar (company 50% owned by Med Wind Energy, S.L.)	118	237	355	75%	474

The fair value of the assets and liabilities owned by the Med Wind Energy, S.L. group at the date of the takeover was as follows (millions of euros):

	Med Wind Energy
Non-current assets	563
Current assets	177
Total identifiable assets	740
Non-current liabilities	215
Current liabilities	51
Total identifiable liabilities	266
Total net 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 recognised in the consolidated income statement under *Other gains and losses* and included, inter alia, the reversal of margins on

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internal transactions and reclassification of items recognised directly in equity. Recognition of the business combination did not produce any goodwill.

The net revenues contributed by Renomar between the date of the business combination and 31 December 2023 totalled €89.3 million, on which it reported a net profit after tax of €24.9 million. Had the business combination taken place on 1 January 2023, the net revenues contributed would have been €144.8 million, and the net profit would have been €43.0 million.

Solideo

In May 2023, Corporación Eólica Catalana, S.L., a company that is 50% owned by the Group and 50% by CAER, acquired shares representing 70% of the capital of Solideo Eco Systems, S.L. and Solideo Energy, S.L. The total cost of these acquisitions was €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 households and SMEs business and will generate significant synergies with other divisions.

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

Company	Cost of acquisition	Percentage interest acquired	Goodwill
Solideo Group	26	70.00%	26

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

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

The Acciona Group has recognised 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.

Amper Central Solar, S.A.

In August 2023, Acciona Energía Internacional, S.A., a 75% subsidiary of Corporación Acciona Energías Renovables, S.A. purchased shares representing 34.4% of the issued capital of Amper Central Solar, S.A., which owns the Moura PV plant in Portugal. This company was already 65.6% owned by Acciona Energía Internacional, S.A. and was consolidated using the equity method. The company is now fully consolidated following the acquisition of the remaining 34.4% of the shares, resulting in 100% control by Acciona Energía Internacional.

The acquisition price of €10 million has been paid in full. The resulting business combination was as follows:

Company	Cost of acquisition	Percentage interest acquired	Fair value of assets and liabilities acquired
Amper Central Solar, S.A.	10	34.40%	54

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

	Amper Central Solar
Non-current assets	49
Current assets	23
Total identifiable assets	72
Non-current liabilities	11
Current liabilities	7
Total identifiable liabilities	18
Total net identifiable assets	**54**

In accordance with the rules established by IFRS 3 regarding stepwise business combinations, the existing shareholding was measured at fair value, resulting in a net loss of €12 million, which was recognised under *Other gains and losses.*

The net revenues contributed by Amper Central Solar between the date of the business combination and 31 December 2023 totalled €17 million, on which it reported a net profit after tax (before non-controlling interests) of €12 million. Had the business combination taken place on 1 January 2023, the net revenues contributed would have been €36 million and the net profit after tax (before non-controlling interests) would have been €27 million.

There were no other material additions to or exclusions from the scope of consolidation in 2023 aside from those described in the preceding paragraphs.

Appendix IV presents the above and other non-material changes in the consolidation perimeter arising in 2023 and 2022. The related impacts on the accompanying annual accounts are shown in the relevant notes.

3. Material accounting policies

3.1 Adoption of new standards and interpretations issued

Standards and interpretations applicable in the financial year

The following changes to accounting standards came into force in 2023 and were therefore considered in the preparation of the accompanying consolidated annual accounts.

Standards and amendments	Description	Mandatory in periods beginning on or after
Adopted by the EU		
Amendment of 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
Amendment of IAS 8 – Definition of Accounting Estimates	Amendments and clarifications defining what is meant by a change in accounting estimates.	1 January 2023
Amendment of 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
Amendment of 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
Amendment of IAS 12 Income Taxes – Pillar Two Model Rules	The amendment provides temporary relief from accounting for deferred taxes under IAS 12 arising from the implementation of the international Pillar Two model rules, in addition to disclosure requirements for affected entities.	1 January 2023

Except as explained in the following paragraphs, the above changes were applied without significant impacts on either the reported figures or the presentation and breakdown of information, either because they did not entail material changes, or because they refer to economic events that do not affect the Acciona Group.

The scope of the initial exemption from recognition established by the amendment of IAS 12 – *Deferred taxes related with assets and liabilities arising from a single transaction* has been narrowed to exclude transactions giving rise to deductible and taxable temporary differences. Accordingly, deferred tax assets and liabilities related with the following must now be recognised:

- 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 associated assets

The recognition of these deferred tax assets and liabilities also applied to the comparative figures presented for 2022. However, the equity impact of application in the consolidated annual accounts was not material taken as a whole, because the Group had already recognised the amounts concerned before the amendment entered into force.

With regard to the amendment of IAS 12 *Income Taxes – Pillar Two Model Rules*, the Acciona Group closely follows developments relating to the implementation of international tax reforms introducing minimum global top-up taxes (Pillar Two). In 2023 the International Accounting Standards Board published amendments of 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 annual financial statements.

In this connection, the Group confirms that it has applied the mandatory exception for the recognition and disclosure of information regarding deferred tax assets and liabilities related with top-up taxes and that its analysis is still ongoing, taking into consideration the existing regulatory framework. Information on preliminary conclusions to date is provided in Note 24 *Tax matters*.

Standards and interpretations issued but not yet in force

At 31 December 2023, the most significant standards and amendments published by the IASB but that have not yet come into force, either because the effective date is later than the date of the consolidated annual accounts or because they have not yet been adopted by the European Union, were as follows:

Standards and amendments	Description	Mandatory in periods beginning on or after
Adopted by the EU		
Amendment of IFRS 16 – Lease liability in a sale and leaseback transaction	This amendment clarifies the accounting treatment applicable to lease liabilities arising from sale and leaseback transactions.	1 January 2024
Not adopted by the EU		
Amendment of IAS 1 – Classification of liabilities as current or non-current and debt with covenants	Clarification of how an entity classifies financial liabilities and debt with covenants as current or non-current, in particular where maturity is conditional on fulfilment of covenants	1 January 2024
Amendment of IAS 7 and IFRS 7- Supplier finance arrangements	The amendments add specific disclosure requirements for information regarding supplier finance arrangements and their impact on an entity's liabilities and cash flows, including liquidity risk and the management of associated risks.	1 January 2024
Amendment of IAS 21 – Lack of exchangeability	The amendments specify how to assess whether a currency is exchangeable and how to determine a spot exchange rate if it is not.	1 January 2025

The Group's Directors do not anticipate any significant impacts to arise as a result of the amendments summarised in the above table, which have been published but are not yet in force, either because they will be applied prospectively or because they concern presentation and disclosure issues and/or matters that are not applicable, or not material, to the Group's operations.

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3.2 Measurement standards

The main measurement standards applied in the preparation of the Group's consolidated annual accounts, in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union, were as follows:

A) Property, plant and equipment

Property, plant and equipment acquired for use in the production or supply of goods or services or for administrative purposes are stated in the consolidated balance sheet at the lower of acquisition or production cost less accumulated depreciation, or at the applicable recoverable amounts.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency, or to a lengthening of the useful lives of the assets are capitalised. Acquisition cost includes professional fees and borrowing costs incurred during the construction period that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use.

Interest is capitalised when it is incurred on costs related with the assets and the necessary activities are in progress to prepare the assets, or any part of the same, for their intended use. Capitalisation ends when all, or substantially all, of the necessary activities to prepare the assets, or any part of the same, for their intended use have been completed. Meanwhile, the capitalisation of interest may be suspended for the duration of any periods in which such activities may be interrupted, where material, unless the resulting delay is necessary in order to commission an asset.

The acquisition cost of items of property, plant and equipment acquired before 31 December 2003 includes asset revaluations permitted in various countries to adjust the value of the assets for the effects of inflation until that date.

Balances in respect of assets retired due to replacement or for any other reason are derecognised from the related cost and accumulated depreciation accounts.

In-house work carried out by the Group on its own property, plant and equipment is recognised at accumulated cost (external costs plus internal costs incurred).

Upkeep and maintenance costs are charged to the consolidated income statement for the year in which they are incurred.

Generally, depreciation is calculated using the straight-line method, on the basis of the acquisition cost of the assets less their residual value, while it is understood that the land on which buildings and other structures stand has an indefinite useful life so it is therefore not depreciated. The Group companies depreciate their property, plant and equipment over the years of estimated useful life applicable in each case. The annual depreciation rates applicable in 2023 were as follows:

	Annual depreciation rates
Buildings	2% - 10%
Special facilities:	
Wind farms	3.33%
Hydroelectric power plants	1% - 4%
Solar PV	3%
Remaining plant	5% - 33%
Machinery	5% - 40%
Furniture	5% - 20%
Computer hardware	13% - 25%
Transportation elements	10% - 32%
Other property, plant and equipment	5% - 33%

The consolidated companies recognise any losses due to impairment that might affect the carrying amounts of these assets with an entry for an equal amount under *Impairment and profit/(loss) on disposal of non-current assets* in the consolidated income statement. The criteria applicable to the recognition of impairment losses on items of property, plant and equipment and, where appropriate, to subsequent recoveries are explained in subsection F) of this note.

B) Investment property

Investment property in the accompanying consolidated balance sheet reflects the carrying amounts, net of accumulated depreciation and valuation adjustments, of land, buildings and other structures held either to earn rents or to obtain capital gains through sale.

Investment property is stated at acquisition cost, and the Group applies the same policies for all purposes as used for property, plant and equipment of the same kind.

The Group determines the fair value of its investment property each year with the support of appraisals prepared by independent experts (see Note 5).

Investment property is depreciated on a straight-line basis over the years of estimated useful lives of the assets, comprising the period over which the Group companies expect to use them. The average depreciation rate is as follows:

	Annual depreciation rate
Buildings held for rental	2% - 5%

C) Leases and right of use

A contract is deemed to contain a lease if there is a transfer of the right to control the use of an identified asset for a period of time in exchange for a consideration.

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Right of use identified in lease contracts

At the date a lease contract begins, a liability is recorded for the future lease payments, including any highly probable extensions, and an asset to represent the right to use the underlying asset during the term of the lease.

The Group measures lease liabilities at the present value of the lease payments outstanding at the start date. Lease payments are discounted at an appropriate incremental interest rate unless the lessor's implicit interest rate can be reliably determined.

Outstanding lease payments consist of fixed payments, less any incentives receivable, variable payments that depend on an index or rate (initially measured at the index or rate applicable at the start date), amounts expected to be paid for residual value guarantees, the exercise price of any purchase option that is highly likely to be exercised, and lease termination indemnity payments, provided that the lease term reflects such termination option. Variable payments that were not included in the initial measurement of the liability are recognised in profit or loss in the period in which they accrue.

Subsequent to initial recognition, the Group measures the lease liability by increasing the amount by the accrued interest expense, decreasing it by the payments made, and re-estimating the carrying amount for lease modifications or to reflect updates to fixed payments.

A right of use is initially recognised at the present value of the lease liability, plus any lease payments made on or before the start date, less incentives received, initial direct costs incurred, and an estimate of decommissioning or restoration costs to be incurred. Assets are recognised under the heading *Right of use* and are classified according to the nature of the underlying asset.

Right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment losses (see subsection F). These assets are depreciated on a straight-line basis over the life of the contract, except when the useful life of the asset is shorter or when it is estimated that a purchase option will be exercised on the asset, in which case the amortisation period is the same as the useful life of the asset.

The liability is revalued, generally as an adjustment to the right of use, whenever there are subsequent modifications to the contract, such as changes in the lease term, changes in future lease payments due to index rate updates as defined in the contract, changes in future payments, or changes in expectations with regard to the exercise of a purchase option, among others. In the event of changes that alter the lease term or substantial amendments to the scope of the lease, the liability under the contract is revalued considering an updated discount rate. The Group records re-estimates of the liability as an adjustment to the related right of use until it is reduced to zero. Any remainder is recognised in profit or loss.

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There are two exceptions to the recognition of the lease asset and lease liability for which the expense is recognised in the income statement on an accrual basis:

- Low-value leases: These are immaterial leases, i.e. contracts for which the underlying asset is booked as new at a value that is not significant. The Group has set a ceiling of €5,000 euros as the upper limit in this respect.
- Short-term leases: Contracts with an estimated rental term of less than 12 months.

Lessor's perspective

Lease contracts in which the Group acts as lessor are accounted for on the following basis:

Finance leases

In lease contracts where the Group retains ownership of the leased asset but transfers substantially all the risks and rewards pertaining to it, the leased asset is derecognised and an account receivable is recognised for an amount equal to the net investment in the lease at the start date, considering the implicit interest rate in the contract.

The Group recognises finance income over the term of the lease on a basis that reflects a constant rate of return on its net investment in the lease.

D) Goodwill

Business combinations in which the Group acquires control of one or more businesses are recognised applying the acquisition method in accordance with IFRS 3 – *Business combinations*.

As part of the process of accounting for a business combination, the difference between the consideration paid, including any associated transaction costs, plus the value allocated to non-controlling interests and the net carrying amount of the assets acquired and liabilities assumed measured at fair value is recognised as goodwill. The value allocated to non-controlling interests is measured applying the percentage interests held to the fair value of the assets and liabilities acquired. Any shortfall arising, where applicable, after measurement of the consideration paid, the value assigned to non-controlling interests and the identification and measurement of the net value of the assets acquired at fair value is recognised in profit or loss.

The assets and liabilities acquired are measured provisionally at the date on which control of the target entity is acquired, and the resulting value is reviewed no later than one year from the date of acquisition.

Goodwill is not amortised but is tested for impairment each year, or earlier if there are signs of any potential loss of value affecting an asset. Goodwill is assigned by the Group at the acquisition date to each cash generating unit (CGU) or group of CGUs expected to benefit from the synergies arising from the business combination concerned. After initial recognition, goodwill is carried at cost less accumulated impairment losses.

Goodwill is only recognised when it is acquired for valuable consideration and therefore represents a payment made by the buyer in anticipation of future economic benefits from assets of the acquired company that are not individually and separately identifiable and/or recognisable.

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Goodwill arising on the acquisition of companies with a functional currency other than the euro is translated to euros at the exchange rates prevailing at the date of the consolidated balance sheet.

E) Other intangible assets

Intangible assets are recognised initially at acquisition or production cost and are subsequently measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite useful lives are amortised over their useful lives using methods similar to those used to depreciate property, plant and equipment. The amortisation rates applied, which were determined on the basis of the average years of estimated useful life of the assets, are basically as follows:

	Annual depreciation rate
Development	20%
Administrative concessions	2% - 25%
Computer software	10% - 33%
Other intangible assets	10% - 33%

The consolidated companies recognise any impairment loss in the carrying amount of these assets with a charge to *Impairment and profit/(loss) on disposal of non-current assets* in the consolidated income statement. The criteria applicable to the recognition of impairment losses on items of property, plant and equipment and, where appropriate, to subsequent recoveries are explained in section F) of this note.

Research and development

As a general rule, expenditure on research activities is recognised as an expense in the year in which it is incurred, except in development projects in which an identifiable asset is created, it is probable that the asset will generate future economic benefits, and the development cost of the asset can be reliably measured. The Group's development expenditure, basically related to the development of renewable energy generation projects, is only recognised as an asset if it is probable that it will generate future economic benefits and the development cost of the asset can be reliably measured.

Development expenditure is amortised on a straight-line basis over its useful life. Unless the aforementioned conditions for recognition as an asset are met, development expenditure is recognised as an expense in the year in which it is incurred.

Administrative concessions

Administrative concessions comprise concessions acquired by the Group for a consideration (in the case of concessions that can be transferred) or for the amount of the expenses incurred to obtain the concession directly from the government or from a public agency. These assets are amortised on a straight-line basis over the term of the concession. Appendix V details the duration (and, therefore, amortisation) of the main concessions.

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Intangible assets in infrastructure projects

Since the adoption of IFRIC 12, the Acciona Group has included intangible assets associated with concessions in which the demand risk is borne by the operator under Intangible assets in infrastructure projects. This type of concession-related activity consists mainly of investments in transport and water supply infrastructure operated by subsidiaries, jointly controlled entities or associates (concession operators). The main features of these activities are as follows:

- The concession infrastructure is owned by the grantor in most cases.

- The concession grantor, which may be a public or private sector entity, controls or regulates the service provided by the operator and the conditions under which it is provided.

- The infrastructure is operated by the concession operator for an established concession term specified in the tender conditions. At the end of this period, the assets are handed back to the concession grantor, and the operator has no further rights over them.

- The concession operator receives revenue for the services provided either directly from the users or through the concession grantor.

Significant accounting criteria applied by the Acciona Group in relation to these concession arrangements are as follows:

- Borrowing costs incurred during the construction period are capitalised but borrowing costs incurred subsequent to commissioning of concession assets are not.

- The concession infrastructure is depreciated on a straight-line basis over the concession term.

- Concession assets are amortised on an appropriate basis to ensure that the carrying amount of the investment made, including obligations to restore the infrastructure or maintain it with a given service capacity, is zero at the end of the concession term.

- In practically all of the Acciona Group's concessions, construction work was carried out by Group companies. The income and expenses related with infrastructure construction and upgrades are recognised at their gross amount (recognition of sales and cost of sales in the consolidated annual accounts of the Acciona Group), and the construction margin is recognised in the consolidated annual accounts. Where the Group does not carry out construction work itself, this is taken into account in the recognition of sales and cost of sales. No adjustments were needed in this respect in 2023.

Computer software

Acquisition and development costs incurred in relation to the basic computer systems used in the Group's management are recognised at acquisition cost under *Other intangible assets* in the consolidated balance sheet.

Computer system maintenance costs are recognised with a charge to the consolidated income statement for the year in which they are incurred.

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F) Impairment of non-current assets

The Group reviews the carrying amounts of its property, plant and equipment, investment property, right of use, intangible assets and investments accounted for using the equity method at the date of each balance sheet, to determine whether there is any indication that assets may have become impaired. If any evidence exists, the recoverable amount of the asset concerned is estimated in order to determine the extent of the impairment loss (if any). When an asset does not generate cash flows that are independent of other assets, the Group estimates the recoverable amount of the smallest identifiable cash generating unit to which it belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is written down to its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised on the asset (or cash generating unit) in previous years.

Goodwill is reviewed for impairment (i.e. a reduction of the recoverable amount to below the carrying amount of the asset) at least at the end of each reporting period, and any found is written down with a charge to *Impairment and profit/(loss) on disposals of non-current assets* in the consolidated income statement. Impairment losses recognised in respect of goodwill cannot be reversed in any subsequent period.

Recoverable amount is the higher of fair value less costs to sell and value in use. The methodology used to estimate the recoverable amount varies depending on the type of asset in question. For these purposes, the Group considers three types of assets: investment property (assets held to earn rentals and inventories), goodwill and assets with a limited life (primarily electricity generating assets and infrastructure concessions). The measurement of these assets is explained below.

Investment property (rental properties and inventories)

The Group's real estate investments comprises properties earmarked for lease. The recoverable amount of these assets is the higher of fair value less costs to sell and value in use. The Group has determined the recoverable amount of its investment properties based on fair value estimates at 31 December 2023 supported by appraisals prepared performed by the independent experts Savills Aguirre Newman Valoraciones y Tasaciones, S.A.U. (independent appraisal report issued on 9 February 2024) and CB Richard Ellis, S.A. (report issued on 19 February 2024).

These appraisals are carried out in accordance with the Appraisal and Valuation Standards issued by the Royal Institute of Chartered Surveyors (RICS) of Great Britain and the International Valuation Standards (IVS) issued by the International Valuation Standards Committee (IVSC).

Assets of this type are measured by discounting rents at rates which vary depending on the type of property concerned and the specific characteristics of individual buildings. In proportion to their carrying amounts, the assets held to earn rentals may be classified as residential for rent (2.76%), offices (88.86%) and other property, comprising shopping centres, car parks, etc. (8.38%). The discount rates used for each type of property lie in the following ranges: office properties (6.75-10%) and other property (6-14%).

The approach used to calculate the market value of investment properties consists of preparing ten-year forecasts for the income and expenses generated by each asset, which are then discounted at the balance sheet date at market rates. The residual amount at the end of the tenth year is calculated applying a yield rate ("exit yield" or "cap rate") based on the forecasts for net income in the eleventh year. The market values thus obtained are analysed through calculation and analysis of the capitalisation of the yield implicit in these values. The forecasts are used to reflect the best estimate of future income and expenses on investment property assets. The percentage yield and the discount rate are defined based on market conditions.

The residual method was applied to calculate the fair value of land and developments in progress. This method consists of estimating the value of the final product based on comparison, or by applying the discounted cash flows approach and deducting development costs from the value obtained. Development costs include the cost of developing land, construction, fees, levies and all necessary costs to complete a planned development. Revenues and costs are distributed over time according to the development and sale periods estimated by the appraiser. The discount rate used represents the annual average yield of the project without taking into account the external financing that an average developer would require for a development of the kind analysed. This discount rate is calculated by adding a risk premium (determined by assessing development risk taking into account the type of property asset planned, its location, liquidity, the construction period and the investment required) to the free-risk interest rate. Where external financing is taken into account in the determination of cash flows, the risk premium is increased depending on the percentage of said financing (leverage) attributed to the project applying the usual interest rates in the mortgage market.

The comparative and discounted cash flow approaches were used to calculate the fair value of completed developments.

The carrying amount of investment property is adjusted at the end of each year through the provision for impairment, in order to adjust the carrying amount to the recoverable amount or net realisable value of each asset wherever this value is found to be lower than the carrying amount, adjusting the provision with additions or reversals as appropriate.

Valuation adjustments for asset impairment, and reversals thereof when the circumstances giving rise to them are removed, are recognised as an expense or as income, respectively, through the income statement.

Based on the valuations made, impairment losses are recognised, where appropriate, under *Impairment and profit/(loss) on disposals of non-current assets* in the consolidated income statement in the case of Investment Property (see Note 5) and under *Changes in inventories of finished goods and work in progress and procurements* in the case of Inventories.

Goodwill

Impairment tests are based on the cash-generating units' overall capacity to generate future cash flows.

The Group prepares five-year forecasts of projected cash flows, including the best available estimates of income and expenses for the cash-generating units based on industry projections, past experience and future expectations.

A residual value is also calculated based on the normalised cash flows for the last year of the forecast, applying a perpetuity growth rate that does not under any circumstances exceed the growth rates for previous years or the estimated long-term rate for the market where the cash generating unit is located. The cash flow used to calculate residual value takes into account the replacement investments required for the continuity of the business in the future at the estimated growth rate.

The weighted average cost of capital (WACC) is used to discount cash flows, which will depend on the type of business and the market in which it is carried on. The average leverage during the projection period is taken into account in the calculation of WACC.

Other items calculated include: i) the effective cost of borrowings, which takes into account the tax shield generated based on the average tax rates in each country; and ii) the estimated cost of equity based on a risk-free interest rate, (generally benchmarked to the return on a ten-year government bond in each market), beta (which factors in leverage and the risk associated with the asset), and a market premium (estimated on the basis of historical yields in the capital markets). These variables are tested using recent studies of the premiums required at long term, comparable companies in the industry and the rates habitually used by investment banks.

The impairment tests carried out did not show any need for the recognition of impairments at 31 December 2023 (see Note 7).

Non-current project assets

This line item includes generating assets, concession assets and, in general, projects with a limited duration and a contractual structure allowing the costs incurred to be clearly determined (both in the initial investment stage and in the operating phase) and the related revenue to be reasonably projected over the whole life of each project. These assets are recognised under property, plant and equipment (mainly generating facilities) and in other intangible assets under intangible concessions (IFRIC 12).

The value in use of such assets is calculated by projecting expected cash flows until the end of an asset's life, and it is therefore assumed that there is no terminal value. This is possible because:

- These assets have a stable long-term output, allowing reliable long-term estimates to be made.

- There are extensive series of historical data from reliable external sources.

- The price estimates used for revenue determination in the energy division are based on a profound understanding of the market and on analyses of the parameters determining pool prices.

- Operating costs are known and display scant variability.

- A large part of the assets are financed with long-term debt under known and constant terms and conditions, making it easily possible to forecast the cash outflows needed to cover debt service.

In general, the Cash Generating Unit (CGU) used in these calculations is the company owning the operational plant or concession assets, because this is normally found upon analysis to be the minimum unit whose cash inflows and outflows are clearly identifiable and independent of other cash flows. The net carrying amount of each CGU is based on the allocation of the identifiable assets and liabilities attributable to each such unit, including assets and liabilities arising under leases falling within the scope of IFRS 16, provided that a buyer would be required to take on the lease in the event of transfer.

Where recoverable value is determined based on value in use, the carrying amount of the associated lease liability at the valuation date is deducted both from the amount of the investment made by the CGU and from value in use. Where recoverable value is determined based on fair value less costs to sell, meanwhile, the carrying amount of the lease liability at the valuation date is deducted from the amount of the investment made by the CGU and from the fair value that would be obtained on disposal of the CGU's assets and the associated lease liabilities.

The projections include both known data (based on project contracts) and basic assumptions relating to demand, production, etc. supported by specific studies prepared by experts or by historical data. Macroeconomic data such as inflation, interest rates, and so on are also projected using data obtained from specialist independent sources (e.g. Bloomberg).

Future cash flows are defined as the cash flows expected to be generated on use of the asset. The discount rates applied reflect expectations regarding possible changes in the amount or timing of cash flows, the time value of money, the price payable in respect of uncertainty related with the asset concerned, and other factors that other agents participating in the market would be likely to consider in any valuation of the future cash flows related with an asset.

The Acciona Group did not recognise any material amounts in the accompanying consolidated income statement in this respect at 31 December 2023 and 2022.

Investments accounted for using the equity method

The net investment in an associate is understood to be impaired, resulting in an impairment loss, where there is objective evidence of impairment caused by one or more events occurring after the initial recognition of the net investment, providing the impact of the event or events producing the loss on the estimated future cash flows generated by the net investment can be reliably estimated.

Goodwill included in the carrying amount of the net investments in an associate is not recognised separately and, therefore, no separate impairment tests are run on the value of such goodwill. Instead, it is the total carrying amount of the investment that is tested for impairment, as if it were a single asset, by comparison of the recoverable amount (i.e. the higher of value in use and fair value less costs to sell) against the carrying amount.

An impairment loss recognised in these circumstances is not allocated to any specific asset, including goodwill, forming part of the carrying amount of the net investment in an associate. Accordingly, any eventual reversal of the impairment loss will be recognised to the extent that the receivable amount of the net investment may subsequently increase. The Group estimates the value in use of a net investment based on (a) the relevant part of the estimated net present value of the effective future cash flows expected to be generated by an associate or joint venture, which comprise the associate's or joint venture's operating cash flows and the amounts that would be realised on the final sale of the investment or its disposal by other means; or (b) the net present value of the estimated future cash flows expected to arise in respect of dividends receivable on the investment and on its eventual sale or disposal by other means.

G) Other non-current assets

Other non-current assets comprise trade receivables maturing in the long term and mainly due from public authorities, as well as amounts withheld on trade receivables, mainly in the infrastructure division.

Since the Acciona Group adopted IFRIC 12, it has recognised financial assets associated with concessions in which the grantor guarantees the payment of a quantified or quantifiable amount in the concession agreement, thereby eliminating the operator's demand risk, under *Non-current receivables and other non-current assets*.

This kind of concession-related activity consists mainly of investments in transport, water supply and hospital infrastructure operated by subsidiaries or jointly controlled entities. The main features of these activities are as follows:

- The concession infrastructure is owned by the grantor in most cases.

- The concession grantor, which may be a public or private sector entity, controls or regulates the service provided by the operator and the conditions under which it is provided.

- The infrastructure is operated by the concession operator for an established concession term specified in the tender conditions. At the end of this period, the assets are handed back to the concession grantor, and the operator has no further rights over them.

- The concession operator receives revenue for the services provided either directly from the users or through the concession grantor.

Significant accounting criteria applied by the Acciona Group in relation to these concession arrangements are as follows:

- The account receivable is recognised at amortised cost at the present value of the amount receivable from the grantor applying the effective interest rate.

- Borrowing costs are not capitalised, either during the construction phase or after operation of the concession has begun.

- The Group recognises interest income earned on a financial asset, even during the construction phase, applying the effective interest rate. This income is recognised as revenue.

- In practically all of the Acciona Group's concessions, construction work was carried out by Group companies. The income and expenses related with infrastructure construction and upgrades are recognised at their gross amount (recognition of sales and cost of sales in the consolidated annual accounts of the Acciona Group), and the construction margin is recognised in the consolidated annual accounts. Where the Group does not carry out construction work itself, this is taken into account in the recognition of sales and cost of sales.

- There is no amortisation charge since the arrangements constitute a financial asset.

- Annual billings are divided into a financial asset component recognised on the balance sheet (and therefore not recognised as sales) and a service component, which is recognised as operating income in accordance with IFRS 15.

H) Financial instrument disclosures

The qualitative and quantitative disclosures contained in the consolidated annual accounts with regard to financial instruments, and risk and capital management are described in the following notes:

- Financial asset and liability categories, including derivative financial instruments and accounting policies are detailed in Note 3.2 I).

- The classification of the fair value measurements of financial assets and derivative financial instruments consistent with the fair value hierarchy established in IFRS 7 is detailed in Note 3.2 I).

- Disclosure requirements (qualitative and quantitative information) regarding capital are detailed in Note 17 g).

- Risk management and accounting policies are detailed in Note 20.

- Derivative financial instruments and hedge accounting are detailed in Note 21.

- Transfers from equity to the profit or loss for the year in respect of settlements of hedging derivatives transactions are detailed in Note 29.

I) Financial instruments

Non-current and current financial assets excluding hedging derivatives

The financial assets held by the Group companies are classified in two broad categories based on the subsequent valuation method:

- Financial assets carried at amortised cost: assets that are held to obtain contractual cash flows in respect of principal and interest (if applicable). These items are measured at amortised cost, which is basically the initial market value, less repayments of principal, plus accrued interest receivable calculated using the effective interest method. The types of assets included in this category comprise:

    - Loans and receivables: claims generated by the Group companies for the supply of goods or services directly to a debtor. This category consists almost entirely of assets recognised under *Trade and other accounts receivabl*e.
    - Cash and cash equivalents: cash in hand and demand deposits at banks. Cash equivalents are short-term investments maturing in under three months that are not subject to any relevant risk of a change in value.
    - Other financial assets: assets with fixed or quantifiable payments and fixed maturity. The Group has the intention and ability to hold these from the date of purchase to the date of maturity. This category includes mainly loans granted to companies consolidated using the equity method, short-term deposits, and deposits and guarantees.

The Group has established an impairment model based on the expected losses from defaults in the next 12 months or over the life of the financial instrument recognised, depending on the nature of the financial asset and the evolution of its associated credit risk from the initial recognition date. The model is applied considering the division, the type of customer (public entity, large customers, etc.) and the historical experience of credit risk over the past five years. The assessment of significant changes in credit risk used in the classification of asset categories is based on credit ratings obtained from external market sources. In the case of trade debtors and other receivables classified as current, the Group applies the simplified expected losses model established in the relevant accounting standards based on its historical experience of bad debt. No significant amounts were recognised in the 2023 consolidated income statement.

- Financial assets recognised at fair value with changes in profit or loss: securities acquired that are not classified in other categories, almost all of which are equity instruments in other companies. They are measured as follows:

    - At cost when there is insufficient information available to measure and asset reliably, or when measurement results in a broad range of potential values. However, if the Group can reliably measure an asset or contract at a given moment, it is recognised at fair value at that time and any gains or losses arising are recognised in profit or loss or in other comprehensive income if the instrument is designated at fair value through other comprehensive income.

    - At fair value when it can be reliably determined either through the market price or, in the absence thereof, based on the price established in recent transactions or the discounted present value of the future cash flows. Gains or losses arising from changes in fair value are recognised directly in the consolidated income statement.

No financial assets were reclassified between the categories defined in the foregoing paragraphs in 2023 and 2022.

Purchases and sales of financial assets are recognised using the trade date method.

Transfers of financial assets

The Group's business model is to hold financial assets in order to obtain contractual cash flows even where such assets may eventually be sold or non-material sales may be expected in the future. The Group understands that this condition is fulfilled in the case of sales due to increased credit risk in respect of financial assets.

The Group derecognises financial assets when they expire, or when the rights to the cash flows from a financial asset and substantially all the risks and rewards of ownership are transferred, as in the case of firm sales and factoring of trade receivables where the company does not retain any credit or interest rate risk.

Bank borrowings and other debts except derivatives

Interest-bearing bank loans are recognised at the amount received, net of direct issue costs.

Borrowing costs, including premiums payable on settlement or redemption, and direct issue costs are recognised in the income statement on the accrual basis using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

In subsequent periods, these obligations are measured at amortised cost using the effective interest method.

In specific cases where liabilities are the underlying of a fair value hedge, they are measured, exceptionally, at fair value for the portion of the hedged risk.

The Group derecognises financial liabilities, in whole or in part, when the obligations they contain expire, or when it is legally released from the principal obligation inherent in the liability through a legal process or by the creditor.

The exchange of debt instruments between the Group and a counterparty, and substantial modifications to the liabilities initially recognised are accounted for by cancelling the original financial liability and recognising a new financial liability, whenever the instruments have substantially different terms.

Terms are considered to be substantially different if the present value of the cash flows under the new terms, including any fees paid net of fees received, discounted at the original effective interest rate differs by at least 10% from the present value of the remaining cash flows on the original financial liability.

Any costs or fees incurred when an exchange is accounted for by cancelling the original financial liability are recognised as part of the profit or loss. Otherwise, the cash flows are discounted at the original effective interest rate and any difference with the previous carrying amount is recognised in profit or loss. In addition, the costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

The Group recognises the difference between the carrying amount of a financial liability extinguished or transferred to a third party, in whole or in part, and the consideration paid, including any non-cash assets transferred or liabilities assumed, through the income statement.

In the case of US wind farms qualifying for tax credits (PTC or ITC) and accelerated tax depreciation (see Appendix VI), investment partners are incorporated through financing structures known as Tax Equity Investments, which offer a share in the economic interest of the projects obtained from the use of the tax credits generated until a return is obtained on the investment made, which depends on the performance of the projects themselves. The investment thus held is treated by the Group as a debt with related entities and recognised under *Other payables*. Repayments are made in line with the realisation of the tax benefits, including a minor percentage of the annual free cash generated by the project. The expected maturity of these debts is associated with the tax credits obtained by the facility, which is 10 years from the starting date for the operation of the project.

When the Group determines the accounting criteria applicable to the recognition of its investment in the companies owning the plants qualifying for Tax Equity Investments, it analyses the investment to establish whether it should be treated as a financial liability or recognised under non-controlling interests in equity. This analysis depends primarily on the Group's ability to prevent any cash outflows due to the reimbursement of contributions and on the contractual return on the contributions made by the investment partner or partners.

As a general rule, no guarantees of any kind are extended by the development partner or the associated project to investment partners with respect to repayment of the debt or expected returns on structures of this kind. Accordingly, the investment partners' main recourse is limited to the cash flows generated by the project itself.

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Derivative financial instruments and hedge accounting

The Group is exposed to exchange rate and interest rate risks on its activities. Forward foreign exchange contracts and interest rate swaps are used to hedge these exposures. Electricity price and supply hedging transactions are also arranged. The Group does not use derivative financial instruments for speculative purposes.

The use of financial derivatives is governed by Group policies approved by the Board of Directors.

Accounting policies

Derivatives are recognised at fair value (see measurement bases below) at the consolidated balance sheet date under *Current or non-current financial assets* if positive and under *Current or non-current bank borrowings* if negative. Changes in the fair value of derivative financial instruments are recognised in the consolidated income statement as they arise. If the derivative has been designated as a hedge that is highly effective, it is recognised as follows:

- Fair value hedges: These hedges are arranged in order fully or partially to reduce the risk of fluctuations in the value of (underlying) assets and liabilities recognised on the consolidated balance sheet. Profits or losses arising on the underlying are recognised as hedging adjustments in the consolidated balance sheet, while changes in the value of the underlying and hedging instruments are recognised under the same heading in the consolidated income statement.

- Cash flow hedges: These hedges are arranged to reduce the risk of potential changes in the cash flows associated with interest payments on financial liabilities and exchange rate fluctuations. Changes in the fair value of derivatives are recognised, with respect to the effective portion of the hedge, in equity under *Reserves - Valuation adjustments*. The cumulative gain or loss recognised in this heading is transferred to the consolidated income statement to the extent of the impact resulting from the risk hedged in respect of the underlying. The effect is netted off from the same heading of the consolidated income statement. Gains or losses in respect of the ineffective portion of hedges are recognised directly in the consolidated income statement.

Other derivative financial instruments

The energy division companies enter into long-term energy sales contracts in the course of their operations for all or part of the energy produced at their plants in order partially or fully to mitigate the risk of fluctuations in market prices. Depending on the regulatory framework in which the facilities operate, such contracts may involve the physical supply of energy (Power Purchase Agreements or PPAs), or they may be instrumented through financial derivatives in which the underlying is the market energy price with regular settlement of the difference between the market price and the contractually established production price.

In such case, the Group recognises the market value of the derivative where it cannot be shown that it was contracted in accordance with the energy sales strategy established for the facility. In addition, it is designated as a hedge or as a derivative with changes recognised through the income statement depending on the terms of the contract and the manner in which it is settled.

Group hedging policy

At the inception of a hedge, the Group designates and formally documents the hedging relationship, and the objective and strategy involved. Hedges are only recognised when a hedging relationship is formally documented and all effectiveness requirements are met, i.e. when it can be shown that an economic relationship exists between the hedged item and the hedging instrument, that the credit risk effect does not dominate changes in value arising from the economic relationship and the hedge ratio ensures that the hedging relationship is in line with the amount of the hedged item, and that there is no imbalance between the weightings of the hedged item and the hedging instrument which could render the hedge ineffective.

The Group does not hedge projected transactions but only firm financing commitments. Where the cash flows from projected transactions are hedged, the Group assesses whether such transactions are highly likely and whether they are exposed to changes in cash flows that could ultimately affect the profit or loss for the year.

If a cash flow hedge covering a firm commitment or projected transaction results in the recognition of a non-financial asset or a non-financial liability, the associated gains or losses on the derivative previously recognised in equity are included in the initial measurement of the underlying asset or liability when it is recognised. For hedges that do not result in recognition of a non-financial asset or liability, amounts deferred in equity are recognised in the income statement in the period in which the hedged item affects profit or loss.

Measurement of derivatives and adjustment for credit risk

The Group measures derivatives that are not traded on an organised market (OTC derivatives) by discounting the expected cash flows and using generally accepted option pricing models based on spot and futures market conditions at the closing date of the financial year. The fair value calculations for each type of financial instrument are as follows:

- Interest rate swaps are valued by discounting future settlements between fixed and floating interest rates to their present value, in line with implicit market rates obtained from long-term interest rate swap curves. Implicit volatility is used to calculate the fair values of caps and floors using option pricing models.

- Foreign currency hedging and option contracts are valued using the spot exchange rate, forward spots of the related currencies and, in the case of options, implicit volatility until maturity.

- Forward energy price contracts are valued based on future price projections, taking into consideration publicly available information on forward energy markets and other variables that are not directly observable for the more distant points on the curve and applying the Group's own assumptions with regard to correlations between energy price components. Such assumptions do not have a significant impact on estimates of the fair value of energy derivatives at 31 December 2023 and, accordingly, they are classified in level 2 of the IFRS 13 fair value hierarchy required.

- The technique applied to determine the adjustment for credit risk in the measurement of derivatives at the reporting date is based on a calculation using simulations of the total expected exposure (incorporating both the actual and potential exposure) adjusted in line with the probability of default over time and severity (potential loss) assigned to the Company and to each of the counterparties.

Specifically, the following formula was applied to calculate the adjustment for credit risk:

EAD * PD * LGD, where

- EAD means Exposure at Default at any given moment calculated by simulation of scenarios using market price curves.

- PD means Probability of Default, i.e. the likelihood that a counterparty might fail to perform its payment obligations at any given moment.

- LGD means Loss Given Default with a severity = 1 - (recovery rate). This represents the percentage of losses that will ultimately arise if a counterparty defaults.

The total expected exposure to derivatives is obtained using observable market inputs, such as interest rate curves, exchange rates and volatilities depending on market conditions at the measurement date.

The inputs applied to calculate credit risk and counterparty risk (determination of the probability of default) are mainly based on the application of credit spreads for the Company or other comparable businesses currently traded on the market (CDS curves, IRR of debt issues). In the absence of credit spreads for the Company or other comparable businesses and in order to maximise the use of relevant observable variables, the listed benchmarks taken into account are those considered appropriate on a case-by-case basis (listed credit spread indices). Where credit information is available for counterparties, the credit spreads used are obtained from Credit Default Swaps (CDS) listed on the market.

In the case of fair value (adjustment of market value for bilateral credit risk), consideration is given to credit enhancements consisting of collateral and other guarantees to determine the severity rate applicable to each position. Severity is considered to be constant over time. If there are no credit enhancements in terms of collateral or guarantees, a standard market recovery rate is applied, which is 40% for senior unsecured debt. Nonetheless, this recovery rate may be between 68.98% and 83,13% for derivatives contracted under Project Finance structures, depending on the progress of the project concerned (construction or operation phase) and the geographical region where it is located (Western Europe, Eastern Europe, North America, Latin America, Oceania and Africa).

The fair value measurements made in respect of different derivative financial instruments, including the information used for the calculation of the credit risk adjustment for both the Company and its counterparty, are classified at level 2 in the IFRS 13 fair value hierarchy, as the inputs are based on listed prices for similar instruments traded on active markets (but not included in level 1), listed prices for identical or similar instruments traded on inactive markets, and techniques based on valuation models for which all the significant inputs are observable in the market or are corroborated by observable market data. Exceptionally, the curve used for certain forward energy sales contracts includes level 3 variables that are not directly observable for more distant periods subject to greater uncertainty. This does not affect the IFRS 13 hierarchy, however, because of the preponderance of level 2 inputs.

Although the Acciona Group has determined that most of the inputs used to evaluate derivatives are classified at level 2 in the fair value hierarchy, credit risk adjustments use level 3 inputs such as credit assessments based on the Group's credit rating or comparable companies to assess the probability of insolvency for the company or its counterparty. The Group has assessed the relevance of the credit risk adjustments for the total valuation of the derivative financial instruments and has concluded that they are not material.

Trade payables

Trade payables do not earn interest and are stated at their nominal value, which does not differ substantially from fair value.

Trade payables include unpaid balances due to suppliers which are handled through supply chain finance contracts entered into with banks. Meanwhile, the related payments are classified as transaction flows, since these transactions do not include either special collateral guarantees for the payments due or modifications that might change the commercial nature of the transactions.

J) Inventories

The Group measures inventories as follows:

- In the construction business, procurements, consisting primarily of construction materials held on site at the construction projects in progress, are measured at acquisition cost. Semi-finished goods and work in progress to be included in the value of construction projects are recognised at production cost.

- In the real estate business, land is measured at the lower of acquisition cost, plus urban development costs, if any, transaction costs related with purchases, borrowing costs incurred from the starting date of site development work until construction begins, and the estimated market value of the land. The capitalisation of borrowing costs is suspended if construction work is halted due to rescheduling or for any other reason.

- Completed real estate developments pending sale and developments in progress are valued at production cost, or at the cost of assignment in the case of property awarded under debt settlements, less the amount of impairment losses, if any. Cost also includes financial expenses incurred between the start of activities to prepare an asset for its intended use until the completion of works, whether charged by suppliers or on loans or other specific or generic third-party financing, provided such expenses are directly attributable to construction. Marketing costs are charged to the income statement in the year in which they are incurred.

- Capitalised borrowing costs included in inventories totalled €9 million in 2023 (€4 million in 2022) (see Note 29).

- Inventories of materials and components used in the manufacture of wind turbines, an activity instrumented through the controlling interest held in Nordex, are generally measured at weighted average cost. Wind turbines manufactured to standard specifications are recognised as work in progress until the moment of delivery to the customer. Measurement of these products includes estimated manufacturing costs on the assumption of normal production capacity.

- Other inventories are recognised generally at the lower of weighted average cost and net realisable value. These inventories may also occasionally be measured at FIFO cost.

The Group assesses the net realisable value of inventories at the end of each year based on independent appraisals prepared by Savills-Aguirre Newman (report issued on 9 February 2024), and CB Richard Ellis, S.A. (report issued on 19 February 2024), setting aside appropriate provisions for impairment where properties are found to be overvalued. These provisions are reversed when the circumstances requiring them are removed or when there is clear evidence of an increase in net realisable value due to any change in economic circumstances. The valuation methods used are detailed in subsection F) *Impairment of non-current assets* in this Note.

Current/Non-current classification

In the accompanying consolidated balance sheet, assets and liabilities maturing within no more than twelve months are generally classified as current items and those maturing in more than twelve months are classified as non-current items. However, the companies in the real estate business classify assets and liabilities based on their operating cycle, which is usually longer than one year. Current assets and liabilities with an estimated maturity of more than twelve months recognised by this division are as follows (millions of euros):

	2023	2022
Inventories	809	791
Total current assets	809	791
Other current liabilities	53	43
Total current liabilities	53	43

K) Treasury shares

At 31 December 2023, Acciona, S.A. held 110,202 treasury shares representing 0.2009% of share capital at that date. The acquisition cost of these shares was €10 million. The acquisition cost of treasury shares and the gains or losses arising on transactions involving them are recognised directly in equity (see Note 17).

At 31 December 2022, Acciona, S.A. held 167,109 treasury shares representing 0.3046% of share capital at that date. The acquisition cost of these shares was €17 million.

L) Termination benefits

In accordance with prevailing legislation in Spain, Spanish and certain foreign companies are required to pay termination benefits to employees dismissed unfairly. The Group recognises provisions for termination benefits when there is an individual or collective agreement with the employees or a genuine expectation that such an agreement will be reached to permit an employee or employees unilaterally or by mutual agreement with the company to accept redundancy in exchange for a termination benefit. Where mutual agreement is required, a provision is only recorded in situations in which the Group agrees to consent to the termination of employees upon request. In all cases in which such provisions are recognised, the employees must have a reasonable expectation that redundancies or early retirements will take place. In the case of involuntary redundancies, the Group may not withdraw the benefits offered after it has informed the employees affected or the union representatives of the plan.

Termination benefits related to restructuring processes are recognised when the Group has a constructive obligation, i.e. when the terms of such processes are set out in a detailed formal plan that creates expectations for third parties.

The Acciona Group companies do not currently have any employee termination plans which have not been appropriately provisioned in accordance with prevailing legislation.

M) Provisions

The consolidated annual accounts include all provisions covering present obligations at the reporting date arising from past events that could give rise to liabilities or losses for the Group companies, such obligations

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being specific in terms of their nature but indeterminate as to their amount and/or timing. These provisions include all amounts set aside where it is considered more likely than not that the obligation will have to be settled.

Provisions are quantified on the basis of the best information available on the consequences of the event giving rise to them and are reviewed and adjusted at the close of each accounting period, and they are applied to settle the specific obligations for which they were originally recognised. Provisions are fully or partially reversed when such obligations are cancelled or reduced.

Trade provisions

These provisions and allowances include costs that have not yet materialised. Provisions for construction project completion costs are set aside to cover expenses arising between the date on which project units are completed and the date of delivery to the customer.

Provision for pensions and similar obligations

The Acciona Group companies do generally not have any pension plans to supplement social security pensions. The appropriate provisions are recognised for termination of permanent site personnel, except for the group of employees mentioned below.

Certain Acciona Group companies have entered into or have been subrogated to collective bargaining agreements that establish specific benefits payable to employees covered by such agreements when they reach retirement age, provided they meet the relevant terms and conditions. Some of these collective bargaining agreements also provide for the payment of loyalty bonuses based on the length of an employee's service to the companies concerned. The impact of these obligations is not material.

The companies concerned have various pension obligations towards their employees. These defined benefit obligations are instrumented basically through pension plans, except as regards certain benefits in kind, mainly electricity supply commitments, which, due to their nature, have not been externalised and are covered by in-house provisions.

The companies recognise the expenditure relating to their obligations under defined benefit plans on an accrual basis over the working lives of employees based on appropriate actuarial studies prepared at the date of the consolidated balance sheet applying the projected unit credit method. The past service costs arising in respect of changes in benefits are recognised immediately in the consolidated income statement in line with the accrual of the benefits concerned.

The defined benefit plan obligations recognised represent the present value of the accrued benefits after deducting the fair value of the qualifying plan assets. Actuarial gains or losses arising on the measurement of both the plan liabilities and the plan assets are recognised directly in equity under *Reserves - Change due to actuarial gains or losses on pension schemes*.

Any positive difference between the actuarial liability for past services under each of the plans and the plan assets is recognised under *Provisions* in the consolidated balance sheet, and any negative difference is recognised as an asset under *Trade and other accounts receivable*, provided that such negative difference is recoverable by the Group, usually through a reduction in future contributions.

The impact of these plans on the consolidated income statement is not material (see Note 18).

Decommissioning provisions

The Group may be obliged to decommission certain assets and restore sites to their original condition under the terms of agreements entered into in this connection. In these circumstances, the Group recognises a liability for the estimated net present value of decommissioning and site restoration obligations arising in respect of assets over the pertinent accrual period, which is usually associated with the construction period.

The liability recognised is also included as an increase in the value of the asset during the construction period, and this amount is amortised on a straight-line basis over its estimated useful life commencing when the asset is commissioned.

The decommissioning provision is adjusted at the end of each year for any changes in estimated future cash flows or in the discount rate applied hitherto. Any increase in the decommissioning provision due to the financial effect of the passage of time is recognised under *Financial costs* in the consolidated income statement for the year in which it is incurred.

The liability recognised in respect of the decommissioning represents the Group Management's best estimate of the current cost of cancelling the obligation in terms of the price at which a third party would be willing to discharge the obligation at the date of the consolidated statement of financial position.

N) Grants

Government grants related with property, plant and equipment and intangible assets are treated as deferred income and are classified under *Other non-current liabilities*. These amounts are taken to income over the expected useful lives of the assets concerned under the line *Other revenue*.

O) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the goods and services provided in the normal course of the business, net of discounts, VAT and other sales-related taxes.

The Group recognises ordinary income upon or in line with the fulfilment of performance obligations through the delivery of the promised good or service (assets) to the customer. An asset is considered to be transferred when, or to the extent that, the customer obtains control of the same.

At the start of each contract, the Group determines whether it will satisfy the performance obligation concerned progressively over time or at a specific date.

In accordance with IFRS 15, the Group identifies and separates the different commitments concerned in transfers of the goods or services referred to in a contract. This implies separate recognition of each of the obligations that can be individually identified within the same contract.

The Group estimates the price of each obligation identified taking into consideration the initial contract price agreed, the amount of variable considerations, the time value of money (in cases that are considered to have a significant financing component), and non-cash considerations.

In cases where the price is variable or consists of unapproved claims, the amount is estimated following the approach that best predicts the consideration to which the Group will be entitled, applying either a probability-based expected value or the single most likely value. This consideration is only recognised to the extent that it is considered highly unlikely that there will be any material reversal of the revenue recognised once the associated uncertainty is resolved.

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Specific revenue recognition criteria applicable to the business activities carried on by the Group are explained below:

Revenue from energy sales

Revenues comprise sales of electricity made in both regulated and deregulated markets by the companies owning generating facilities, as well as sales made in the energy marketing business.

Sales of electricity and ancillary services by the generating business in regulated markets or under long-term energy supply contracts are made at pre-set prices. In projects selling power without these kinds of contracts, the energy sale price and the price of ancillary services varies over the duration of each project based on quoted market (pool) prices.

Energy sales and ancillary services are recognised based on the volume of electricity supplied when the power is delivered to the customer and all power supply performance obligations for the period are met. These revenues also include estimated amounts in respect of unbilled sales of the energy marketing business at the year end. The Group acts as the principal in energy marketing contracts, while the Group trading company acts in the capacity of agent performing the role of market intermediary.

Where the Group acts as principal, sales and purchases of energy are recognised at the gross amount of the expected consideration, but when it acts as agent it recognises ordinary revenue in respect of the payments or fees it expects to receive for arranging the supply of power to third-party customers.

In accordance with Spanish Royal Decree 413/2014, renewable generating facilities in Spain are entitled not only to remuneration in the form of revenues earned from the sale of power at market prices but also to specific remuneration comprising a term per unit of capacity installed (investment remuneration), covering, where appropriate, any investment costs for a standard facility (SF) that are not recoverable through electricity sales and an operating term (operating remuneration) covering, where applicable, the difference between operating costs and the revenue obtained from the participation of the standard facility in the market. Royal Decree 413/2014 further provides for reviews of certain remuneration parameters in each interim regulatory period to be formulated by ministerial order. In this regard, Spanish Energy Ministry Order TED/171/2020 established the remuneration parameters applicable to the estimation of the above-mentioned incentives for the 2020-2022 interim regulatory period. However, the subsequent Order TED/1232/2022 published on 11 December 2022 established new remuneration parameters for 2022 following the extraordinary decision adopted pursuant to Royal Decree-Law 6/2022 to bring forward the review of remuneration parameters for the year, thereby splitting the current interim period in two (2020-2021 and 2022). The proposed parameters applicable in the next interim regulatory period (2023-2025) were published on 28 December 2022 and were expected to be approved by Ministerial Order in the early months of 2023. However, the Spanish Energy Ministry published Order TED/741/2023 on 8 July 2023, approving the definitive parameters applicable in the period, which substantially altered the banding mechanism prices established in the draft proposal and also included other minor changes (tweaking price level eligibility within the banding mechanism and correcting prior years' adjustment values due to errors found in the models).

The aforementioned Royal Decree 413/2014 regulates the mechanism applicable when market prices in the different interim periods making up the regulatory useful life of a generating asset are lower (positive adjustments) or higher (negative adjustments) than the prices estimated by the regulator at the start of each regulatory half period and forming the basis for the determination of the incentives receivable.

The Group modified its recognition criteria for the positive and negative differences arising from the adjustment of market prices in Spain adopted in the current regulatory framework in 2021 (see Appendix VI), in order to bring them into line with the "Criteria for the Accounting Recognition of the 'Value of Adjustments for Market Price Deviations' (*Vajdm*) in accordance with article 22 of Royal Decree 413/2014" published by the CNMV on 22 October 2021. The criteria applied by the Group in accordance with this document are as follows:

- In general terms, the Group recognises positive or negative market deviations arising within the meaning of RD 413/2014 in the consolidated balance sheet with an equal credit or debit to the income statement.

- Where the Group may consider, however, that it is highly likely that the market returns obtained will exceed the levels established in RD 413/2014 at any time over the residual regulatory lives of its assets based on its best estimates of the future trend in energy market prices and other qualitative factors, and therefore that the economic consequences of leaving the regulatory regime established would not be substantially worse than remaining, the general recognition criteria does not apply and an asset is only recognised if positive market deviations arise.

In accordance with the CNMV document, the Group recognises all positive or negative deviations under *Revenue* in the consolidated income statement for the year, except in the case of standard facilities (SFs) that are considered highly likely to obtain higher direct market returns than the return guaranteed by Spanish Royal Decree 413/2014 over their remaining regulated useful lives.

This situation applies to SFs which Group management considers at the year end to be highly unlikely to qualify for investment remuneration under the revised remuneration parameters for the next interim regulatory period (e.g. because the associated NPV is zero), in view of market price forecasts and other qualitative factors. In such cases, the liability associated with the market price deviations adjustment is considered to be zero and, therefore, any negative differences recognised up to that date are adjusted through the consolidated income statement in accordance with the mechanism for the recognition of a change in estimates established by IAS 8.

The market price forecasts prepared by the Group are based on year-end forward market prices obtained from the OMIP platform.

In contrast, where variations in the future market price may produce a recovery in the value of any negative differences measured at zero as described above, either because of a change in expectations affecting the NPV of the associated standard facility, or because it is expected that the investment remuneration will be receivable, the resulting change will be recognised as a change in estimates in accordance with IAS 8.

Assets and liabilities recognised as a consequence adjustments for deviations in the net market prices arising until the latest review of remuneration parameters are reversed on a straight-line basis over the remaining regulatory life of the standard facility with which they are associated. Meanwhile, the net asset or liability formed over the course of the current interim regulatory period is reversed applying the same criteria as of the start of the next interim regulatory period.

Any asset generated as a consequence of positive differences arising from the adjustment of market price deviations is recognised in the consolidated balance sheet under *Other non-current assets* or *Trade and other accounts receivable* if the debt matures in the short term. Likewise, any liability generated as a consequence of negative differences arising from this mechanism are recognised under *Other non-current liabilities* or *Trade and other accounts payable* if maturing in the short term.

The situation of the energy market at 31 December 2023, the expected short- and medium-term trends in energy prices, other qualitative factors and analysis of the Ministerial Order of 8 July 2023 updating the relevant parameters indicate the following:

- Practically all of the Standard Facilities (SFs) operated by the Group in Spain will cease to qualify for investment remuneration at least in the next interim regulatory period (2023-2025). In fact, only the biomass activity will qualify for any level of regulatory remuneration.

- The trend in energy prices expected by Group Management at 31 December 2023 will accelerate the exhaustion of NPV for all standard wind generating facilities (type IT-00657 and IT00659 wind farms) operated by the Group in Spain, insofar as it is highly likely that the returns generated based on estimated future energy prices will exceed the guaranteed fair prices established by Royal Decree 413/2014. Once a facility reaches threshold for the guaranteed minimum return is reached, meanwhile, its continuation or otherwise in the regulated system does not entail any material costs or additional obligations. In such cases, the Directors of the Group have concluded that exiting the remuneration regime would not have materially adverse financial consequences compared to remaining within the system at the date of preparation of these consolidated annual accounts. However, it would be imprudent to leave the remuneration system at present given the proliferation of regulatory changes in recent months and the likelihood of further legislative initiatives driven by the current situation of the energy markets.

- In the case of type IT-00660 to IT-00663 wind farms, however, the expected price trend does not guarantee that the minimum return will be obtained over the regulatory life of the facilities, in contrast to the estimates made at 31 December 2022. Accordingly, the Group has recognised the resulting cumulative losses on these assets over the course of the year. The recognition of these amounts increased the related liability by €28.6 million and decreased net turnover and profit before taxes by €28.6 million and €29.8 million, respectively.

- In the case of biomass plants, meanwhile, exiting the remuneration regime would be likely to have adverse financial consequences compared to remaining within it, as was also indicated by the estimates made at 31 December 2022, given that this activity could opt for operating remuneration over the facilities' remaining regulatory lives depending on price trends in this period.

In light of the foregoing, the Group recognised total non-current liabilities of €45.8 million for negative market price deviations at 31 December 2023 in respect of type IT-00660 to IT-00663 wind farms and biomass facilities. At 31 December 2022, meanwhile, the Group recognised liabilities of this nature totalling €34.5 million solely in respect of standard facilities pertaining to the biomass activity (see Note 22).

Revenues from the construction activity

Revenue

Given the nature of this activity, revenue is usually generated on long-term contracts in which the contractual starting and completion dates generally fall in different accounting periods. Hence, initial revenue and expense estimates may undergo changes that can affect the recognition of revenue, costs and profits or losses.

The Group recognises construction revenue and expenses by reference to the stage of completion of the contract at the balance sheet date, based either on an examination of the work completed, or on the percentage of costs incurred in relation to total estimated costs. In the former case, period production measured in terms of units completed is recorded as revenue and costs are recognised on the accrual basis in relation to finished units of work. In the latter case, revenue is recognised in the income statement based on progress estimated in terms of percentage costs (i.e. actual costs incurred versus the total estimated cost of the contract), applied to the likely total project revenues. This method is commonly used in Anglosphere markets and where contracts do not specify unit prices.

In some cases (for example in the early stages of a contract), the Group may not be able to reliably measure the fulfilment of a performance obligation, even though it fully expects to recover all costs incurred to satisfy the obligation. In such circumstances, the Group recognises revenue from ordinary activities only to the extent of the costs incurred until it can reliably measure fulfilment of the performance obligation.

Also, where it is considered that the estimated costs of a contract will exceed the revenue generated, the expected losses are provisioned with a charge to the consolidated income statement for the year in which they become known.

Ordinary revenue from a contract is recognised considering the initial contract price agreed with the customer and any contractual modifications or additional claims, to the extent that it is highly probable that revenue will be obtained from the same, that such revenue can be reliably measured, and that no material reversal is likely in the future.

It is considered that a contract has been modified when a change is made to the scope of the contract on the customer's instructions. A claim is considered to arise under a contract when the actions of the customer or third parties result in costs that were not included in the initial contract (delays, specification and design errors, etc.), and the contractor is entitled to compensation for the cost overruns incurred, either from the customer or from the third party responsible.

Such modifications and claims are included as contract revenue when the customer approves the associated work, either in writing, by verbal agreement or tacitly in line with common business practice, i.e. when collection is considered to be highly probable and no material reversal of the revenue is likely in the future.

In cases where work has been approved but has yet to be assigned an associated price, or where the customer has yet to give approval, the Group considers that final approval is highly likely when negotiations are at an advanced stage or when technical and/or legal reports issued by independent experts support the work concerned. Amounts recognised as revenue in such cases are estimated according to the definition of "variable consideration" established in IFRS 15, i.e. using methods that provide the best prediction of the consideration so that the most likely amount is obtained (single most likely amount within a range of possible consideration amounts), according to all the available information (historical, current and expected) that can reasonably be obtained, and only to the extent that it is highly unlikely that a significant reversal in the amount of ordinary accumulated revenue recognised will occur when the uncertainty related to the variable consideration is resolved at a later date.

As explained above, construction contracts are subject to revenue and cost estimates that need to be reviewed by project managers as contracts progress. Any changes in estimates for revenue, expenses and final project results are examined by the different management tiers, and the verified and approved effects thereof are treated as changes in accounting estimates in the year in which they occur and in subsequent periods, in accordance with prevailing accounting standards.

Expenses

Project costs comprise both amounts directly related to the main contract and associated modifications or claims, as well as costs incurred in contracting activities, such as insurance, consultancy, design and technical assistance, among others.

Construction contract costs are recognised on the accrual basis, i.e. the costs related to work units completed and the total indirect contract costs attributable to said units are recognised as expenses.

Costs that relate to future contract activity such as insurance premiums, site installations, consultancy, design and other initial costs are initially recognised as assets in *Inventories*, provided they are considered necessary to fulfil the contract and will be recovered upon completion. These amounts are then taken to income in line with the progress of the contract.

Machinery removal and site installation dismantling costs, upkeep costs during the warranty period and costs arising in the period between the completion of construction work and the date of final settlement are deferred and recognised over the life of the construction project, being treated as additional construction costs related both with the completed contract units and with future activity on the contract.

Depreciation of property, plant and equipment used in construction contracts is charged over the contract term where the estimated useful life of assets coincides with the duration of the project, so that they are fully depreciated upon completion. Where the useful life of machinery exceeds the term of a contract, depreciation charges are distributed among the different contracts where the assets are used based on technical criteria. In this case, assets are depreciated on the straight-line basis over the course of each contract.

Default interest due to late payment of certificates of work by the customer is recognised as financial income only when the amount can be reliably measured and collection is reasonably guaranteed.

The Group companies recognise the difference between the revenue recognised on a contract and the amount of certificates of work at the inception of the contract under *Trade and other accounts receivable – Production pending certification*. Amounts received in respect of advance certifications and other advances received from customers are recognised in the account *Advances received on orders* under *Trade and other accounts payable*.

Revenues from the manufacture and maintenance of wind turbines

Manufacture and supply of wind turbines

The wind turbines business carried on by Nordex comprises manufacture, supply and installation activities. Revenue recognition in this activity depends upon the terms of the agreements entered into with customers and the type and design of the wind turbines sold.
In the case of wind turbines manufactured to highly standard specifications, it is generally considered that the Group could find alternative uses for products during the manufacturing stage, and revenues are therefore generally recognised only when the turbine is installed on site, as this is moment when the customer obtains control of the asset. Costs incurred during the manufacturing process for wind turbines of this kind are recognised under *Inventories*.

Where wind turbines are manufactured to special requirements to suit a particular site or wind conditions, however, their specific design configuration means they cannot be assigned to any alternative use by the Group. In these circumstances, revenues are recognised over the course of the production process applying the percentage of completion method (i.e. percentage costs incurred in relation to the estimated total cost of the contract). Any positive difference between unbilled production completed and advances received from the customer are recognised in the consolidated balance sheet under *Trade and other accounts receivable – Unbilled production pending certification (contract assets).* Meanwhile, negative differences are recognised under *Trade and other accounts payable – Advances from customers* (contract liabilities).

The average duration of the process from manufacturing through to supply and installation is around 12 months, and these contracts therefore have no material financial element.

Wind turbine maintenance

It is common for a fixed-term maintenance agreement to be made with the customer alongside the contract for the supply of wind turbines Accordingly, the maintenance commitment constitutes a separate obligation from the manufacture and supply of wind turbines. Maintenance revenues are recognised over the term of the agreement in line with the historic profile of estimated costs in respect of the work required. A contractual liability is recognised where the billing milestones established in a maintenance agreement exceed revenues, and otherwise a contractual asset is recognised.

Revenues from the services activity

This activity includes a broad range of services, and the associated revenue is recognised by reference to the stage of completion of the transaction at the balance sheet date, provided its outcome can be reliably estimated.

The profit or loss recognised by the Group companies on the services provided each year is calculated as the difference between production (value at the sale price of the services provided during the period, as stipulated in the primary contract entered into with each customer or in amendments or addenda thereto approved by the customer, or value of services not yet approved but reasonably certain to be recovered) and costs incurred in the period.

Price reviews stipulated in the initial contract entered into with the customer are recognised as revenue annually on an accrual basis regardless whether they are approved by the customer, as they are considered to be contractual undertakings.

Revenue from the real estate activity

The Group companies recognise property sale revenue and costs on the date the property is delivered, which is taken to be the moment when the customer obtains control over the asset.

Accordingly, the Group companies recognise the provisions required to cover any contractual costs not yet incurred on an asset sold upon delivery of the property.

The Group recognises income from operating leases, net of incentives granted, on a straight-line basis over the lease term, unless another systematic basis of allocation is more representative because it more accurately reflects the pattern in which profit from the use of the asset decreases.

The initial direct costs of the lease are included in the carrying amount of the leased asset and are recognised as an expense over the lease term applying the same criteria as used for revenue recognition.

The Group recognises modifications of operating leases as a new lease from the effective date of the change, considering any prepayments or deferred payments in respect of the original lease as part of the lease payments under the new lease.

P) Income tax. Deferred tax assets and liabilities

Current tax is the amount of income tax payable or recoverable relating to the consolidated taxable profit or loss for the year. Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the tax authorities, applying tax regulations and rates prevailing or substantively prevailing at the closing date.

Deferred tax liabilities are amounts payable in the future for income taxes related to taxable temporary differences, while deferred tax assets are amounts recoverable on income taxes due to the existence of deductible temporary differences, tax loss carry-forwards or deductions pending application. For these purposes, temporary differences are defined as the difference between the carrying amount of assets and liabilities and their tax base.

Current and deferred income taxes are recognised in the income statement, except where arising in respect of any transaction or economic event recognised in equity during the year or in any other year, or recognised in respect of a business combination. Deferred tax assets and liabilities are offset where the Group has a legal right to do so and the deferred taxes in question are generated by the same taxable entity within the same tax jurisdiction.

Recognition of deferred tax liabilities

The Group recognises deferred tax liabilities in all cases except:

- where they arise from the initial recognition of goodwill or of assets or liabilities in a transaction that is not a business combination and does not affect either accounting profit or taxable income at the transaction date; and

- amounts arising from differences related with investments in subsidiaries, associates and joint ventures, where the Group has the ability to control the timing of reversal and it is not probable that reversal will occur in the foreseeable future.

Recognition of deferred tax assets

The Group recognises deferred tax assets provided that:

- it is likely that there will be sufficient future taxable income to offset the amounts recognised, or where tax legislation provides for the possibility of future conversion of deferred tax assets into accounts receivable from the Public Administration. Deferred tax assets are not recognised, however, where they arise from the initial recognition of assets or liabilities in a transaction that is not a business combination and does not affect either accounting income or taxable income at the transaction date; or

- they relate to temporary differences arising in respect of investments in subsidiaries, associates and/or joint ventures, to the extent that such temporary differences will reverse in the foreseeable future and sufficient future taxable profits are expected to offset the differences.

The Group recognises the conversion of a deferred tax asset into a tax account receivable from the Public Administration when the amount concerned falls due in accordance with prevailing tax legislation. To this end, a deferred tax asset is derecognised with a charge to the deferred income tax expense and the account receivable is recognised with a credit to current income tax.

Q) Foreign currency balances and transactions

Transactions in currencies other than the functional currency are recognised applying the exchange rates prevailing at the transaction date. Differences arising during the year between balances booked at the exchange rate prevailing at the transaction date and the exchange rate prevailing at the date of collection or payment are recorded as finance costs or finance income in the consolidated income statement.

In addition, balances denominated in currencies other than the functional currency receivable or payable at 31 December of each year are translated at the year-end exchange rates. Translation differences are recognised as finance costs or finance income in the consolidated income statement.

R) Environmental activities

In general, environmental activities are defined as operations carried out with the principal purpose of preventing, reducing or repairing damage to the environment.

Investments relating to environmental activities are measured at acquisition cost and are capitalised as an addition to non-current assets in the year in which they are made.

Environmental protection and improvement expenses are charged to profit or loss in the year in which they are incurred, regardless when the resulting monetary or financial flows arise.

Provisions are made for probable or certain environmental liabilities, litigation in progress and compensation or obligations payable for indeterminate amounts that are not covered by the insurance policies arranged. The relevant allowances are set aside when the liability or obligation determining compensation or payment arises.

S) Discontinued operations and non-current assets and liabilities held for sale

The Group classifies property, plant and equipment, intangible assets, other non-current assets, amounts recognised under *Investments accounted for using the equity method* and disposal groups (i.e. groups of assets which will be disposed of together with all directly associated liabilities) as non-current assets held for sale, when Group management has adopted a plan for the sale of the assets at the date of the consolidated balance sheet and all other conditions established by IFRS 5 are met.

The Group classifies business lines sold or otherwise disposed of as discontinued operations where the assets concerned meet the criteria for classification as held for sale, including, where applicable, other assets forming part of the same disposal plan as the business line or classified as held for sale as a result of acquired commitments. Companies acquired exclusively with a view to resale are also classified as discontinued operations.

These assets or disposal groups are measured at the lower of their carrying amount or fair value less costs to sell, and depreciation ceases from the moment they are classified as non-current assets held for sale. However, valuation adjustments are made at the date of the consolidated balance sheet, as required to ensure that the carrying amount does not exceed fair value less costs to sell.

Non-current assets held for sale and the components of disposal groups classified as held for sale are presented in the accompanying consolidated balance sheet under *Non-current assets held for sale and discontinued operations* and, in the case of liabilities, *under Liabilities held for sale and discontinued operations*.

The profit or loss after tax of discontinued operations is presented in the consolidated income statement as *Profit/(Loss) after tax from discontinued operations*.

There were no discontinued operations at 31 December 2023 and 2022.

T) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to the parent by the weighted average number of ordinary shares outstanding in the period, excluding the average number of shares of the parent held by the Group companies.

Diluted earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders, adjusted for the potential dilutive effect of unissued ordinary shares, by the weighted average number of ordinary shares outstanding in the period, adjusted to include the weighted average ordinary shares that would have been issued if all potential ordinary shares had been converted into ordinary shares of the Company. For these purposes, it is assumed that the shares are converted at the beginning of the accounting period or at the date of issue of any potential ordinary shares over the course of the period.

U) Consolidated cash flow statement

The 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 change in provisions*, 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.

3.3 Accounting estimates and judgements

The information included in the consolidated annual accounts is the responsibility of the Directors of the Parent Company.

Certain estimates were made by the Parent Company's Directors in the consolidated annual accounts for 2023 and 2022 in order to measure some of the assets, liabilities, income, expenses and obligations reported. These estimates, the results of which can be found in the applicable measurement standards, refer to:

- Measurement of assets showing evidence of impairment and goodwill, so as to determine any impairment losses arising (see Notes 3.2 F) and 4)

- Fair value measurement of assets and liabilities acquired in business combinations (Note 3.2 h))

- Revenue recognition in the construction business (Note 3.2 O))

- Assumptions used in actuarial estimates of pension liabilities and obligations (Note 18)

- Useful life of property, plant and equipment, investment property and intangible assets (Notes 3.2.A), 3.2.B) and 3.2.E))

- Assumptions used to measure the fair value of financial instruments

- Likelihood and amount, where applicable, of unquantifiable and contingent liabilities (Notes 3.2 M) and 22)

- Future cost of decommissioning and site restoration (Notes 3.2 M) and 18)

- Future taxable income that the Group companies will declare to the tax authorities serving as the basis for the recognition of certain balances related with corporate income tax in the accompanying consolidated annual accounts, and recoverability of the deferred tax assets recognised (Notes 3.2 P) and 24)

- Incremental rate used in the valuation of lease contracts and determination of the lease term (Notes 3.2 C) and 6)

- Estimations of net present value (NPV) and the 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 (Appendix VI)

These estimates were made on the basis of the best information available at 31 December 2023 and 2022 in relation to the matters analysed. However, events may occur in the future that would make changes necessary. Any such changes in accounting estimates would be applied in accordance with IAS 8.

3.4 Changes in accounting estimates and policies, and correction of fundamental errors

- Changes in accounting estimates. The effect of any change in accounting estimates is recognised prospectively under the same income statement heading as used to recognise the expense or income measured applying the original estimate.

- Changes in accounting policies and correction of fundamental errors. The effects of changes and corrections of this kind are recognised as follows: if material, the cumulative effect at the beginning of the year is adjusted in reserves and the effect for the current year is recognised in the income statement. In these cases, the financial data for the comparative year presented together with the current year's figures are restated.

There were no material changes in accounting estimates or policies, and no errors required correction in the annual accounts for the financial year ended 31 December 2023.

4. Property, plant and equipment

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

	Land and buildings	Other plant and machinery	Advances and PPE under construction	Other PPE	Depreciation	Impairment	Total
Balance at 31.12.2021	427	13,355	749	247	-6,087	-625	8,066
Changes in the consolidation perimeter	1	51		1	-27		26
Additions / Charge for the year	12	221	1,446	34	-438	-84	1,191
Retirements	-4	-115	-1	-17	94	64	21
Transfers	130	212	-322	-6	-28	24	10
Other changes		225	7	3	-61	-3	171
Balance at 31.12.2022	566	13,949	1,879	262	-6,547	-624	9,485
Changes in the consolidation perimeter	209	2,024	30		-1,111	-81	1,071
Additions / Charge for the year	18	208	1,842	25	-644	-14	1,435
Retirements	-4	-65	-2	-15	58	10	-18
Transfers	116	474	-1,064	4	321		-148
Other changes	-1	-202	-60	-1	86	8	-170
Balance at 31.12.2023	904	16,388	2,625	275	-7,837	-701	11,655

Net balances at 31 December 2023 and 2022 break down as follows (millions of euros):

Property, plant and equipment	2023				2022			
	Cost	Depreciation	Impairment	Total	Cost	Depreciation	Impairment	Total
Land and buildings	903	-261	-18	624	566	-181	-17	368
Other plant and machinery	16.389	-7.409	-657	8.323	13.949	-6.221	-586	7.142
Advances and PPE under	2.626		-22	2.604	1.879		-19	1.860
Other PPE	274	-167	-4	103	262	-145	-2	115
Total	20.192	-7.837	-701	11.655	16.656	-6.547	-624	9.485

The main change in *Property, plant and equipment* in 2023 affected *Other plant and machinery,* consisting of increases due to changes in the perimeter, mainly as a result of the integration of Nordex and balances included on full consolidation of Renomar and the Moura PV plant in Portugal (see Note 2.2.h)}.

The principal *Additions* were recognised in *Advances and PPE under construction*, comprising ongoing investments by the Energy division in wind generating assets located mainly in Australia, Canada, Peru and Croatia, and in solar PV plants in the United States, Spain, the Dominican Republic and Australia, as a well a biomass plant in Spain.

A further key addition to *Advances and PPE under construction* was the investment of €22 million in the construction of the Acciona Campus, which will become the Group's new head office upon the completion of fitting-out work.

Additions were also recognised in *Other plant and machinery* for a total of approximately €82 million, comprising capital expenditures by the Infrastructure division relating to the acquisition of machinery, ancillary equipment and plant required to undertake construction projects, primarily in Australia and Poland, as well as investments by Nordex totalling around €19 million.

Transfers totalled approximately €990 million at 31 December 2023, consisting primarily of balances transferred from *Advances and PPE under construction* to *Other plant and machinery* as a result of the commissioning of various PV plants in the United States, Spain and the Dominican Republic, wind farms in Australia and the Cunningham battery energy storage system in the State of Texas, USA.

A balance of €133 million was also transferred from *Advances and PPE under construction* to *Land and buildings* upon the partial opening of the Acciona Campus.

Meanwhile, various PPE items, mainly comprising *Other plant and machinery,* were transferred to *Assets held for sale* together with the related *Accumulated depreciation* for a net total of €247 million.

Retirements from *Other plant and machinery* were related mainly to sales of construction machinery by the Infrastructure division in Australia, Canada and Norway. The disposal of this machinery had no material impact on the consolidated income statement for 2023.

Other changes in 2023 comprised basically the effect of period translation differences representing a loss of €203 million (gains of €198 million in 2022) incurred mainly in respect of wind farms situated in the United States, Chile and Mexico, which use the US dollar as their functional currency, and assets located South Africa and Australia. These translation differences arising were therefore due to depreciation of the US dollar, South African rand and Australian dollar against the euro during the year.

The main investments in progress in 2022 comprised renewable energy projects under construction by the Group, which were recognised as *Additions* to *Advances and PPE under construction* and totalled approximately €1,060 million in respect of wind farm projects, principally in Australia, Spain and Peru, and solar PV projects in the United States, Spain and the Dominican Republic. A*dditions* also included the acquisition of the Cunningham battery storage project in Texas (United States) in December 2022 for a total of €230 million. This plant was in the process of commissioning at that time, and the investment was transferred to *Other plant and machinery* in 2023, as mentioned above.

A further key addition to *Advances and PPE under construction* in 2022 was the investment of €74 million in the construction of the Acciona Campus, which will become the Group's new head office upon the completion of fitting-out work.

At 31 December 2022 an amount of approximately €177 million was transferred from *Advances and PPE under construction* to *Other plant and machinery* in the Energy division following the completion of construction and commissioning of two wind farms and one solar PV plant in Spain. A balance of €129 million was also transferred from *Advances and PPE under construction* to *Land and buildings* upon the partial opening of the Acciona Campus.

In accordance with its internal procedures, the Group tracks the yield trends of its main assets throughout the financial year, assessing fulfilment of or deviations from the main assumptions and estimates underlying the impairment tests carried out, as well as relevant regulatory, economic and technological changes arising in the markets where the assets operate in order to ensure adequate recognition of impairments identified in the period.

At 31 December 2023 the Group holds property, plant and equipment consisting mainly of wind farms, solar PV plants and hydroelectric plants in divers geographical locations with differing regulatory environments. The Group recognised impairments totalling €695 million at 31 December 2023 (€620 million at 31 December 2022) in respect of assets held internationally (mainly in the United States, Ukraine, Portugal, Poland, Australia and Italy) and in Spain. In the latter case, the impairments recognised relate basically to regulatory changes enacted in 2012 and 2013.

In accordance with its internal procedures, the Group tracks the yield trends of its main assets, assessing fulfilment of or deviations from the main assumptions and estimates underlying the impairment tests carried out, 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 over the course of each financial year. No material issues requiring the performance of tests came to light in 2023, except in the case of the operational biomass plants.

The Group updated the impairment tests associated with operational biomass generating plants located in Spain in 2023, in view of the trend in market prices and the regulatory changes described in Note 2.2 above, mainly comprising Spanish Royal Decree Law 5/2023 of 28 June and the Ministerial Order establishing the revised remuneration parameters published on 9 July 2023, which raised the expected return on biomass assets, among other matters.

The calculation of value in use was carried out by projecting expected cash flows until the end of the useful lives of all cash generating units (CGUs) without considering the terminal value of the assets. The CGU established for this calculation is, in general terms, the company that owns the operating facility or facilities which, according to the analyses performed, represents the minimum unit whose cash inflows and outflows are identifiable and independent of cash flows shared with other facilities.

The main assumptions used to project cash flows were:

- Production associated with each facility, based on Group Management's best estimates of long-term resources at each site, adjusted by the historical deviations each year.

- Management estimates of long-term energy sales price curves. These estimates are based on the average annual prices quoted in each market. However, in the case of very long-term forecasts referring to years for which there is no price quotation or the quotation is not liquid and is therefore not representative, the likely evolution of the price curve is estimated based on variations in the quoted prices of gas and other inputs. These prices are adjusted each year for the difference historically arising between average market prices and the prices actually obtained by each facility (deviations, penalties, etc.).

- Operating costs of each facility, based on management's best estimates and experience considering existing contracts and expected increases due to inflation. In no case were potential synergies or cost savings arising from future or planned actions considered. Cost estimates were made on a basis consistent with the recent past and assuming the current condition of assets.

- The discount rates applied to asset flows were 7.02% (pre-tax) and 6.5% (post-tax).

No significant impacts arose from the analysis made which might have required the recognition of any amounts in the consolidated income statement for the year ended 31 December 2023.

The Group also analysed the results of the impairment tests to assess sensitivity to variations in the assumptions considered material to the valuation and reasonably likely to undergo changes, as follows:

Assumption	Swing	Total (millions of euros)
Discount rate	-0.50%	-0.5
	0.50%	0.5
Price curve	-2.50%	2.3
	2.50%	-2.3
Production	-2%	1.1
	2%	-1.1

Based on the results of the sensitivity analysis:

- A variation in discount rates of -0.5% would reduce impairment by €0.5 million, while a +0.5% increment would result in an impact of €0.5 million.

- A downward swing of 2.5% would result in a €2.3 million impairment impact, while an upward swing of 2.5% would reduce the provision required by €2.3 million.

- Finally, upward or downward swings of 2% in the generating assets' estimated output would respectively reduce the provision required by €1.1 million or increase it by €1.1 million.

The Group companies capitalised finance costs incurred on items of property, plant and equipment for a total of €67 million in 2023 and €12 million in 2022 (see Note 29). The principle amounts capitalised arose in respect of the Macintyre project in Australia (€30 million) and the San Juan de Marcona project in Peru (€12 million).

Fully depreciated property, plant and equipment in use amounted to €510 million at 31 December 2023 and €481 million at 31 December 2022. Most of these assets continue in use.

At 31 December 2023, the Energy division companies had commitments to purchase property, plant and equipment for a total of €802 million in connection with wind and biomass facilities currently under construction in Canada, Spain, the United States, Australia, Croatia and elsewhere. Commitments at 31 December 2022 totalled €1,203 million and were related mainly with wind and PV assets under construction in the United States, Australia and Peru.

Meanwhile, the Infrastructure division had commitments to purchase items of property, plant and equipment for a total €23 million at 31 December 2023. There were no significant commitments of this nature at 31 December 2022.

The Group has arranged insurance policies to cover the possible risks to which its property, plant and equipment are exposed and any possible claims that might be filed against it in connection with its business activities. These policies are considered to provide adequate cover for the related risks.

The net carrying amount of property, plant and equipment pledged as collateral for Energy division project finance debts at 31 December 2023 was €1,082 million (€708 million in 2022).

The Group has mortgaged land and buildings with a net carrying amount of €23 million (€20 million in 2022) to secure credit facilities extended by banks.

5. Investment property

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

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

Investment property	Cost	Depreciation	Impairment	Total
Balance at 31.12.2021	160	-13	-6	141
Additions	29	-1		28
Disposals	-2	1	1	
Other changes	-1			-1
Translation differences	1	-1		
Balance at 31.12.2022	187	-14	-5	168
Additions	14	-2		12
Disposals	-2		2	
Transfers	-159	1		-158
Other changes				
Translation differences	1			1
Balance at 31.12.2023	41	-15	-3	23

The main changes in 2023 comprised:

- An increase of €14 million in completed work on an office building in Madrid; and
- The transfer of two office buildings in Madrid to *Property, plant and equipment* and *Non-current assets held for sale* for net amounts of €90 million and €68 million respectively (see Notes 4 and 14).

The principal change in 2022 was the increase in completed work on two office buildings in Madrid for a total of €29 million.

The fair value of investment property at 31 December 2023, estimated on the basis of valuations made by independent appraisers (see Note 3.2.F)}, was €33 million (€226 million at 31 December 2022). The decrease in the balance in 2023 compared to 2022 is explained mainly by transfers made during the year, as explained above. The comparable value for 2022 is €33 million.

The Group had no investment property under construction at 31 December 2023, while the balance at 31 December 2022 was €76 million. Likewise, the Group has no firm commitments in this respect (€9 million at 31 December 2022).

The Group earned rental income of €7 million from investment properties let under operating leases in 2023 (€2 million in 2022). Direct operating expenses arising from investment property amounted to €2 million in 2023 (€2 million in 2022), recognised under *Other operating expenses* in the accompanying consolidated income statement.

The Group had not mortgaged any of the assets recognised as *Investment property* at 31 December 2023. The net carrying amount of mortgaged assets was €307,000 at 31 December 2022. The decrease in this amount was mainly due to the sale of residential assets and cancellation of the remaining debt.

Cost, depreciation, and provisions for properties held to earn rentals assigned to the Acciona Group's Real Estate division at 31 December 2023 and 2022 were as follows (millions of euros):

	2023			2022		
Location	Cost	Depreciation	Provisions	Cost	Depreciation	Provisions
Madrid	1	-1		145	-1	
Catalonia	11	-5	-1	11	-5	-1
Other regions of Spain	19	-8	-2	23	-7	-4
International	10	-1		8	-1	
Total	41	-15	-3	187	-14	-5

6. Leases

6.1 Right of use

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

Right of use	Land and natural resources	Buildings	Technical installations	Machinery and vehicles	Other PPE	Depreciation	Impairment	Total
Balance at 31.12.2021	352	126	101	214	1	-266	--	528
Additions / Charge for the year	62	45	3	95		-140		65
Retirements	-4	-25	-75	-53	-1	106		-52
Transfers		1		-10		4		-5
Change in the consolidation perimeter	1							1
Other changes	9	1	4			-3		11
Balance at 31.12.2022	420	148	33	246	-	-299	--	548
Additions / Charge for the year	116	75	23	141		-167		188
Retirements	-2	-31	-2	-55		58		-32
Transfers	-14	1		-1		3		-11
Change in the consolidation perimeter	26	161	39			-86		140
Other changes	-7	-3	-1	-3		5		-9
Balance at 31.12.2023	539	351	92	328	--	-486	--	824

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

Significant *Additions* to *Land and natural resources* were recognised in 2023 in connection with Energy division wind farm and PV projects located in Australia, the United States, the Dominican Republic and Spain. *Additions* in 2022 were related mainly with new land leases associated with wind farms and PV plants, mostly located in the United States and Spain, as well as CPI-based rent increases.

In 2023 *Buildings* reflect the start of various office leases in Australia and the United States. The balance in 2022 included both new office leases and extensions of existing leases in Spain, as well as CPI-based rent increases.

Machinery and vehicles include significant *Additions* associated with the Metro line 6 construction project in Sao Paolo (Brazil), the award of a new service contract at Düsseldorf airport (Germany) and contracts awarded to the Infrastructure division in Australia. *Additions* to *Machinery and vehicles* recognised in 2022 were related with the Metro line 6 project in São Paolo, the Macintyre wind farm in Australia and construction projects in Chile.

R*etirements* in 2023 comprised chiefly construction contracts, machinery and vehicle fleets in Spain. In addition, certain machinery leases in Australia came to an end and machinery pertaining to Site C project was liquidated. In 2022, meanwhile, a lease relating to a PV plant in Nevada (USA) was cancelled in advance. Other *Retirements* in both years comprised mainly fully depreciated assets at the end of the lease commitment period and early cancellations of leases associated primarily with the Infrastructure division.

Also, certain Energy division right-of-use assets, mainly *Land*, were transferred together with accumulated depreciation totalling €10 million to *Assets held for sale* (Note 14).

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 2).

The Group recognised interest expenses of €43 million and depreciation charges of €169 million associated with lease contracts in the consolidated income statement for 2023 (€33 and €139 million respectively in 2022).

The Group recognised an expense of €198 million in the consolidated income statement for 2023 (€111 million in the year ended 31 December 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 €39 million was also recognised in respect of variable rents (€30 million in the year ended 31 December 2022).

The net carrying amounts of right of use classified according to the nature of the underlying assets at 31 December 2023 and 2022 were as follows (millions of euros):

	2023				2022			
Right of use	Cost	Depreciation	Impairmen t	Total	Cost	Depreciation	Impairmen t	Total
Land and natural resources	539	-82		457	420	-63		357
Buildings	351	-180		171	148	-87		61
Plant	92	-45		47	33	-14		19
Machinery	230	-131		99	160	-95		65
Vehicles	98	-48		50	86	-40		46
Other RoU								
Total	1,310	-486	--	824	847	-299	--	548

Cash outflows resulting from operating leases totalled €161 million in 2023 (€149 million in 2022).

No impairments were recognised in respect of right of use in the Group's consolidated income statement in either 2023 or 2022.

6.2 Non-current and current lease obligations

Liabilities associated with lease contracts at 31 December 2023 and 2022 were as follows (millions of euros)

	2023			2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Lease obligations	124	687	811	72	439	511
Obligations under finance leases (Note 19)	10	34	44	12	36	48
Total lease obligations	134	721	855	84	475	559

The Group does not have any lease contracts containing significant residual value guarantees.

At the date of preparation of these annual accounts, the Group had no lease contracts that represented significant commitments and were due to enter into force after 31 December 2023.

The Group's *Lease obligations* at 31 December 2023 and 2022 were as follows (millions of euros):

	Minimum lease payments	
Amounts payable under lease obligations	2023	2022
Less than one year	142	90
Between one and five years	322	192
More than five years	887	627
Total lease payables	1,351	909
Less future finance charges	540	398
Present value of lease obligations	811	511
Less amount due for settlement within twelve months (current lease obligations)	124	72
Amount due for settlement after twelve months	687	439

A breakdown of the maturities of commitments classified as *Obligations under finance leases* is provided in Note 19 to these annual accounts.

7. Goodwill

Changes in the goodwill carried in the consolidated balance sheet in 2022 were as follows (millions of euros):

	Balance at 31.12.2021	Additions	Impairment	Change in the consolidation perimeter	Other changes	Balance at 31.12.2022
Geotech Holding Subgroup	108				-1	107
Acciona Facility Services Subgroup	53	1				54
Acciona Agua Subgroup	28					28
Bestinver Subgroup	19					19
Silence (Scutum Logistic, S.L.)	17					17
Andes Airport Service, S.A.	14				1	15
Acciona Cultural Engineering Subgroup	9					9
Other	1				-1	
Total	249	1	--	--	-1	249

Changes in the goodwill carried in the consolidated balance sheet in 2023 were as follows (millions of euros):

	Balance at 31.12.2022	Additions	Impairment	Change in the consolidation perimeter	Other changes	Balance at 31.12.2023
Geotech Holding Subgroup	107				-3	104
Acciona Facility Services Subgroup	54					54
Acciona Agua Subgroup	28					28
Bestinver Subgroup	19					19
Silence (Scutum Logistic, S.L.)	17					17
Andes Airport Service, S.A.	15				-1	14
Acciona Cultural Engineering Subgroup	9					9
Nordex Subgroup				1,098		1,098
Solideo Subgroup				26		26
Total	249	--	--	1,124	-4	1,369

Goodwill was recognised on two occasions in 2023, comprising €1,098 million following the first full consolidation of Nordex SE and €26 million after the acquisition of Solideo Eco Systems, S.L. and Solideo Energy, S.L. in May 2023.

No matters were observed at 31 December 2023 in relation to the two transactions resulting in the recognition of goodwill in the year that would indicate any material change in the hypotheses and assumptions considered at the time of the PPA.

Translation differences resulting in exchange losses of approximately €4.3 million were recognised at 31 December 2023, basically in respect of changes in the Australian dollar and Chilean peso exchange rates.

The updated impairment tests carried out on the different subgroups applying the method described in Note 2.2.F) did not reveal any need to recognise impairments at 31 December 2023.

The growth rates employed by the Group to extrapolate cash flow projections beyond the five-year period covered by forecasts and WACC after tax were as follows:

	Growth rate (%)	WACC (%)
Geotech Holding Subgroup	2.00%	8.44%
Acciona Facility Services Subgroup	1.50%	5.89%
Acciona Agua Subgroup	1.50%	6.78%
Silence (Scutum Logistic, S.L.)	2.00%	11.80%
Bestinver Subgroup	1.40%	12.20%
Andes Airport Services, S.A.	1.50%	9.33%
Acciona Cultural Engineering Subgroup	1.50%	7.60%

Sensitivity analyses were carried out on the subgroups based on the historical experience of their activities, particularly in relation to the operating margin, discount rate and perpetuity growth rate, in order to obtain assurance that potential changes in the estimates would not have an impact on the possible recovery of the goodwill recognised. Based on the results of these tests, a decrease of 75 basis points in the growth rate applied, increases of up to 40 basis points in the discount rate, and a decrease of 150 basis points in the net operating margin would not change the results of the impairment tests considering these assumptions together. Accordingly, no goodwill impairments were recognised.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

In the case of the goodwill recognised in respect of the Nordex Subgroup upon full consolidation in 2023, the Group identified impairments at 31 December 2023 following adjustment of the principal assumptions applied in the model based on the latest information published by Nordex SE and industry forecasts published by specialist external sources. The impairment test resulted in value in use equal to €1,967 million, which is more than the carrying amount of the investment.

The methodology used to calculate value in use, which is described in Note 3.2 F), employed the discounted cash flows approach calculated at a discount rate (WACC) established in view of the risks inherent in the company's activity and the different markets in which it operates. A cash flow projection covering a five-year period (2024-2028) was calculated for discounting, and a terminal value representing the value of cash flows as of the sixth year was determined based on estimates of normalised cash flows.

The projections were estimated on the basis of information from specialist sources and the company's most recent published forecasts. In particular, the sales projection is based on average growth forecasts for the wind generating industry according to the data contained in the industry report normally used for impairment testing purposes. It is understood that the 8% target rate of return (EBITDA/Sales), repeatedly reconfirmed by the company, will be reached by the end of this five-year period.

The rate of sales growth estimated for the normalised period was 1.5%, which was taken as a prudent basis for the calculation of terminal value ("g" parameter") given the uncertainty inherent in such long-term projections. The cash flows were discounted applying a post-tax WACC rate of 8.6%.

In order to support the consistency and reasonableness of the impairment test, sensitivity analyses were carried out applying changes that might reasonably be expected in the main hypotheses. A variation of +/- 50 basis points in WACC would produce an additional negative impact of €138 million or a positive impact of €159 million on the estimated value in use, and a variation of +/- 50 basis points in sales growth for the normalised period ("g") would result in an additional positive impact of €138 million or a negative impact of €120 million.

8. Other intangible assets

Changes in cost and accumulated depreciationin 2023 and 2022 were as follows (millions of euros):

Other intangible assets	Development	Concessions	Computer software	Advances	Brands	Contract backlog	Other	depreciation	Provisions	Total
Balance at 31.12.2021	37	677	103	25	--	--	98	-482	-5	453
Changes in the consolidation perimeter	1	94						-2		93
Additions / Charge for the year	8	24	20	12				-72	-1	-9
Retirements	-2		-2					2	2	
Transfers	6		12	-21						-3
Other changes		14						-4	1	11
Balance at 31.12.2022	50	809	133	16	--	--	98	-558	-3	545
Changes in the consolidation perimeter	656	1			336	414	169	-534		1,042
Additions / Charge for the year	47	32	25	10			5	-129		-10
Retirements			-1	-3			-44	44		-4
Transfers		-9	4	-7			1	1		-10
Other changes		3					-6	7		4
Balance at 31.12.2023	753	836	161	16	336	414	223	-1,169	-3	1,567

Net balances at 31 December 2023 and 2022 were as follows (millions of euros):

	2023				2022			
Other intangible assets	Cost	Depreciation	Impairment	Total	Cost	Depreciation	Impairment	Total
Development	753	-421		332	50	-19		31
Concessions	836	-421	-3	412	809	-379	-3	427
Computer software	161	-94		67	133	-74		59
Advances	16			16	16			16
Brands	336			336				
Contract backlog	414	-39		375				
Other intangible assets	223	-194		29	98	-86		12
Total	**2,739**	**-1,169**	**-3**	**1,567**	**1,106**	**-558**	**-3**	**545**

Concessions mainly comprise concession assets where the risk of recovery is assumed by the Group as operator. This line also includes the cost of administrative concessions and levies paid by the Acciona Agua Subgroup for concessions related to the integral water cycle.

The main *Changes in the consolidation perimeter* at 31 December 2023 refer to intangible assets associated with full consolidation of Nordex SE (Note 2). The amounts recorded by Nordex under *Development* comprise mainly development costs and upgrades for Delta generation wind turbines. Also, *Other intangible assets* include two new categories identified as a result of the PPA procedure, namely *Brands* and *Contract backlog.*

Additions include capitalized R&D costs, which totalled €47 million in 2023. These assets comprise basically costs incurred to develop improvements to the Delta wind turbine platform, software developments and electrolysation projects undertaken by Nordex. Investments of €30 million were made in the context of the ongoing process of digitalisation and implementation of new technologies to purchase software applications for use in innovation processes, enhanced process integration and technological development, and to adapt and align systems with legal, accounting and tax requirements in the different geographic regions where the Group operates (investment of €17 million in 2022).

Transfers from *Advances* to *Computer software* and *Development* comprised completed applications and projects that were still at the development phase in 2022.

Other changes in 2023 included the effect of translation differences, resulting in gains of €4 million.

Retirements comprise basically the assets amounting to €43 million assigned to the Acciona CEI Australia Subgroup's backlog at the time of its acquisition. These assets were fully amortised in 2023.

Changes in the consolidation perimeter in 2022 comprised basically the acquisition of Eqinov, S.A.S., a company specialising in the provision of corporate energy efficiency and energy management services, as well as certain companies holding development rights in respect of renewables projects, mainly in Chile, South Africa and Poland.

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

	2023				2022			
Concessions	Cost	Depreciation	Impairment	Total	Cost	Depreciation	Impairment	Total
Administrative concessions	452	-192	-3	257	439	-169	-3	267
Service concessions (IFRIC 12)	384	-229		155	370	-210		160
Total	836	-421	-3	412	809	-379	-3	427

Details of the main concessions are provided in Appendix V. The main service concession arrangements recognised under the intangible model (IFRIC 12) at 31 December 2023 and 2022 were as follows (millions of euros):

	2023				2022			
Concessions	Cost	Depreciation	Impairment	Total	Cost	Depreciation	Impairment	Total
S.C. A2 TRAMO 2, S.A.	149	-119		30	149	-109		40
Consorcio Eolico Chiripa, S.A.	105	-52		53	109	-49		60

No impairments were found in 2023 or 2022, or material losses not covered by the provisions set aside at 31 December 2023 and 2022.

At 31 December 2023 the Group companies had commitments totalling €197 million to acquire intangible assets for Infrastructure division concession projects. Commitments amounted to €3 million at 31 December 2022.

Fully amortised intangible assets in use amounted to €122 million at 31 December 2023 and €80 million at 31 December 2022.

9. Investments in associates and joint arrangements accounted for using the equity method

Changes in 2022 were as follows (millions of euros):

Direct and indirect investments	Balance at 31.12.2021	Share in profit/(loss) before tax	Dividends	Tax effect	Changes in the consolidation perimeter and contributions	Other changes	Balance at 31.12.2022
Direct investments of the Parent Company							
Nordex SE	847	-194		11	243	-30	877
Other direct investments		-2			62	2	62
Subtotal, direct investment	847	-196		11	305	-28	939
Indirect investments of the Parent Company							
Indirect investments of the Acciona Energía Subgroup	251	37	-49	-8	65	14	310
Indirect investments of the Ceólica Hispania Subgroup	49	73	-44	-19	-4	55	110
Indirect investments of the Acciona Construcción Subgroup	4					9	13
Indirect investments of the Acciona Concesiones Subgroup	58	33	-1	-10	105	14	199
Indirect investments of the Acciona Agua Subgroup	101	23	-9	-9	-2	31	135
Indirect investments of the Acciona Inmobiliaria Subgroup	14	-1			7		20
Other	1	1				2	4
Subtotal, indirect investment	478	166	-103	-46	171	125	791
Total	**1,325**	**-30**	**-103**	**-35**	**476**	**97**	**1,730**

Changes in 2023 were as follows (millions of euros):

Direct and indirect investments	Balance at 31.12.2022	Share in profit/(loss) before tax	Dividends	Tax effect	Changes in the consolidation perimeter and contributions	Other changes	Balance at 31.12.2023
Direct investments of the Parent Company							
Nordex SE	877	(103)		(11)	(763)		
Other direct investments	62	(1)			(35)		26
Subtotal, direct investment	939	(104)		(11)	(798)		26
Indirect investments of the Parent Company							
Indirect investments of the Acciona Energía Subgroup	310	51	(4)	(17)	(211)	17	146
Indirect investments of the Ceólica Hispania Subgroup	110	34	(37)	(8)		2	101
Indirect investments of the Acciona Construcción Subgroup	13	2				(5)	10
Indirect investments of the Acciona Concesiones Subgroup	199	52	(3)	(14)	52	4	290
Indirect investments of the Acciona Agua Subgroup	135	26	(8)	(7)	(3)	2	145
Indirect investments of the Acciona Inmobiliaria Subgroup	20	(1)	(1)		(2)	(2)	14
Other	4				(4)		
Subtotal, indirect investment	791	164	(53)	(46)	(168)	18	706
Total	**1,730**	**60**	**(53)**	**(57)**	**(966)**	**18**	**732**

The Acciona Group's interests in associates are detailed in Appendix III to these Notes.

Where the investments held by the Group in associates consolidated using the equity method are reduced to zero and constructive obligations may exist above the amount of the contributions made, the resulting losses or decreases in equity are recognised under *Non-current provisions* in the consolidated balance sheet (see Note 18).

The main *Changes in the consolidation perimeter* in 2023 and 2022 were as follows:

2023

- 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 2.2 h)).

- Furthermore, the Acciona Group acquired 50% of Nordex H2, 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 shares of Med Wind Energy, S.L., which is in turn the owner of a 50% equity interest in Energías Renovables Mediterráneas, S.A. (Renomar) (see Note 3.2 h)). 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 Acciona Energy subgroup, and the formerly equity-accounted company has now been fully consolidated. Meanwhile, Acciona Energía Internacional, S.A. acquired an additional 34.4% of Amper Central Solar, S.A., increasing its holding to 100%. Following the acquisition of this additional interest, Amper Central Solar, S.A. was fully consolidated.

2022

- On 26 June 2022, Acciona subscribed 16,002,103 new shares in the capital increase carried out by Nordex, SE, the terms of which excluded the preferential subscription rights of other shareholders. The subscription price of the shares was €8.7 euros each, resulting in an investment of €139 million and an increase in the percentage investment held by the Acciona Group in Nordex, SE from 33.63% to 39.66%.

- Nordex SE again increased its share capital on 10 July 2022 by issuing a total of 35,923,089 shares with a par value of €5.90 each, reserving a preferential right of subscription for the existing shareholders. Acciona, S.A. subscribed a total of 14,247,032 shares, in proportion to its existing investment in Nordex. At the end of the preferential subscription period, Acciona also subscribed an additional 2,767,251 shares pertaining to other shareholders who opted not to exercise their subscription rights. The subscription of these shares raised the interest owned by Acciona, S.A. in Nordex SE from 39.66% of share capital to 40.97%, increasing the total investment by €104 million.

- In June 2022, the Group sold the Companies Desarrollo de Energías Renovables de Navarra, S.A., Parque Eólico Cinseiro, S.L. and Explotaciones Eólicas Sierra de Utrera, S.L., all of which were consolidated using the equity method, derecognising an amount of €23 million under *Changes in the*

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consolidation perimeter, of which €18 million were related with the Acciona Energía Renovable Subgroup and €5 million with the Ceólica Hispania Subgroup.

- *Concessions* include capital contributions totalling €101 million made by the Acciona Concesiones Subgroup to the associate holding the concession contract for the construction, operation and maintenance of Line 6 of the São Paulo Metro.

- In September 2022, the Acciona Energía Subgroup acquired 49.99% of The Blue Circle, a company registered in Vietnam which develops, builds, operates and maintains renewables facilities in East Asia (Vietnam, Thailand and the Philippines, among other countries) for a price of €34 million and a commitment to invest a further €106.4 million to finance future projects.

- *Other direct investments* reflect the acquisition of 1.14% of the share capital of Eve UAM, LLC (an affiliate of the Embraer Group) at a cost of €28 million (USD 30 million) in connection with the development of a sustainable urban mobility ecosystem in partnership with other strategic investors. The company was listed on the New York Stock Exchange (NYSE) under the name Eve Holding Inc. on 10 May 2022.

- On 28 December 2022, the Group acquired 50% of Nordex H2, S.L. for a total of €68 million. This investment was made in equal parts by the Acciona Energía Subgroup and Acciona, S.A. The company's corporate purpose is to undertake green hydrogen projects.

Changes in the scope of consolidation 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 reflect variations due to derivatives, translation differences and the effect of reclassifying loss-making investments accounted for using the equity method as constructive obligations.

At 31 December 2023 *Other changes* comprised mainly a loss of €7 million recognised in respect of the change in the value of energy price derivatives and interest rate hedges (gain of €117 million in 2022) (see Note 21). This heading also includes a gain of €24 million reflecting dividends received indirectly from Renomar, which is 75% owned by Corporación Acciona Energías Renovables, S.A. (50% held directly and 25% indirectly via Medwind, an equity-accounted company), as explained in Note 2 above.

The following table shows the assets, liabilities, revenue and profit or loss of associates accounted for using the equity method in 2023, in proportion to the percentage interests held in their share capital (figures for loss-making associates recognised on the liability side of the consolidated balance sheet are disclosed in Note 19):

	Energy	Infrastructure	Other Activities	Total 2023
Assets				
Non-current assets	495	1,818	72	2,385
Current assets	120	909	33	1,062
Total assets	**615**	**2,727**	**105**	**3,447**
Equity and liabilities				
Equity	248	444	40	732
Non-current liabilities	313	1,975	46	2,334
Current liabilities	54	308	19	381
Total equity and liabilities	**615**	**2,727**	**105**	**3,447**
Profit/(Loss)				
Revenue	204	372	4	580
Profit/(loss) before tax from continuing operations	84	80	-104	60
Profit/(loss) before tax	84	80	-104	60

The assets, liabilities, revenue and profit or loss of associates in 2022 in proportion to the percentage interests held in share capital were as follows:

	Energy	Infrastructure	Other Activities	Total 2022
Assets				
Non-current assets	731	1,079	1,254	3,064
Current assets	196	1,083	1,259	2,538
Total assets	**927**	**2,162**	**2,513**	**5,602**
Equity and liabilities				
Equity	421	349	960	1,730
Non-current liabilities	409	1,527	188	2,124
Current liabilities	97	286	1,365	1,748
Total equity and liabilities	**927**	**2,162**	**2,513**	**5,602**
Profit/(Loss)				
Revenue	243	293	1,589	2,125
Profit/(loss) before tax from continuing operations	110	57	(196)	(29)
Profit/(loss) before tax	110	57	(196)	(29)

None of the associates was material to the Group as a whole at 31 December 2023.

10. Interests in joint operations

The Acciona Group's interests in joint operations structured via special vehicles are disclosed in the accompanying Appendix II. The principal investments in these joint operations (including separate vehicles) reflected in the consolidated annual accounts at 31 December 2023 and 2022 were as follows (millions of euros):

	2023		2022	
Millions of euros	Companies	Joint operations	Companies	Joint operations
Revenue	71	2,428	48	2,226
Gross profit/(loss) from operations	13	212	12	173
Operating profit/(loss)	7	166	8	150
Non-current assets	23	222	19	198
Current assets	50	2,429	55	2,185
Non-current liabilities	10	510	62	468
Current liabilities	21	1,439	41	1,204

There are no shareholdings in joint operations that are material for the Group.

11. Other non-current and current financial assets

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

31.12.2023					
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 Comprehensive Income	Financial assets carried at amortised cost	Hedging derivatives	Total
Equity instruments	31				31
Debt securities					
Derivatives				27	27
Other current financial assets			126		126
Long-term / Non-current	31	--	126	27	184
Equity instruments	3				3
Other loans and receivables			305		305
Derivatives				18	18
Other current financial assets			284		284
Short-term / Current	3	--	589	18	610
Total	**34**	**--**	**715**	**45**	**794**

31.12.2022					
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 Comprehensive Income	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

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.L. to operate in the daily and future electricity trading markets.

Other loans and receivables reflect 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.

The change in *Other loans* basically reflects the increase in short-term deposits contracted by subsidiaries of the Group.

This caption of the consolidated balance sheet also includes an amount of €6 million in respect of the 18.53% interest retained by the Acciona Group in the share capital of Entrecanales Domecq e Hijos, S.A. (formerly Bodegas Palacio 1894, S.A.U.) following the sale of 81.47% of that company to the Group's Executive Directors in December 2020. The share purchase agreement made with the Executive Directors includes a purchase option over the remaining 18.53%, which can be exercised by any of the same, in whole or in part, at the same price per share as in the original transaction within a period of five years of the completion date (December 2020).

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

The fair value hierarchy for financial instruments is described in Note 3.2.I).

12. Other non-current and current financial assets

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

	Non-Current		Current	
	2023	2022	2023	2022
Trade receivables	415	376		
Derivatives	119	112		
Prepayments and accrued income receivable	22	21		
Concessions under the financial asset model	42	36		
VAT and other indirect taxes (Note 24)			531	250
Public entities			410	391
Other			8	7
Total	598	545	949	648

Non-current trade receivables comprise amounts recognised at amortised cost due from customers and other trade receivables generated in the course of operations and maturing in more than one year, as well as amounts withheld by way of guarantee, as is customary in the construction business.

This heading includes long-term Restructure Investment Notes held by the Group via one of its Australian subsidiaries since 2019 following the compensation agreements reached with the customer Transport for New South Wales in the context of the contract for the design and construction of a tramway in the city of Sidney. The amortised cost of these receivables at 31 December 2023 based on a collection schedule maturing in 2036 is €284 million (€269 million receivable in the long term and €15 million in the short term), compared to €302 million at 31 December 2022 (€286 million long-term and €16 million short-term).

Public entities comprise basically the claim filed by the Acciona Group through its subsidiary ATLL Concessionària de la Generalitat de Catalunya, S.A. (in liquidation) ("ATLL" or the "concession operator"), against the Regional Government of Catalonia in connection with the cancellation of the Ter-Llobregat water supply concession contract ordered by the High Court of Justice of Catalonia in a judgment that was subsequently upheld by the Spanish Supreme Court. The Group received the Final Settlement (FS) of this claim amounting to €56.9 million euros from the Catalan Regional Government in 2020. This was significantly less than the sum claimed by the Company, and in the Group's opinion the FS only confirmed that the dispute would not be resolved without judicial review.

Meanwhile, the High Court of Justice of Catalonia handed down its decision with regard to the Financial Settlement (FS) on 15 December 2022, as explained in Note 18, ordering the Regional Government to pay to ATLL the sum of €304.4 million plus interest at the legal rate on the principal disbursed since 2013.

ATLL had already collected a total of €31.4 million in respect of the aforementioned sums in prior years, leaving the remainder due and payable by the Catalan Regional Government at the date of presentation of these consolidated annual accounts. In this regard, the subsidiary ATLL assigned the future receivables arising from the claim, which do not include the consideration already recognised by the Catalan Regional Government, to a third party in 2019 (see Note 22).

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

- €19.8 million representing the fair value of commodities derivatives contracted by Spanish subsidiaries of the Group for the future supply of a specified volume of power at a fixed price. These contracts are marked to market. At 31 December 2022, a balance of €38.1 million was recognised, reflecting the 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.

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- €71.3 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).

- €19.1 million (€13.8 million at 31 December 2022) 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.

  The initial amount of this contract, recognised under *Deferred income*, is presented net of the value of the associated derivative. The gross amount of the derivative instrument is €45.1 million, which was presented net of €26 million at 31 December 2023. Meanwhile, the gross amount of the derivative instrument at 31 December 2022 was €44.5 million, which was presented net of €30.7 million.

- €9.2 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 include the balance receivable beyond one year on concessions treated as financial assets at 31 December 2023 and 2022 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 accounts receivable* 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 reclassified to short term was €8 million at 31 December 2023 and €7 million at 31 December 2022. The main project in the concessions business is the operation of a hospital in Mexico by Hospital de León Bajío, S.A. de C.V. The balance in this respect is €34 million (€31 million at 31 December 2022).

At 31 December 2023, the Group companies had commitments to acquire concession assets under the financial asset model for a total of €272 million (commitments worth €22 million at 31 December 2022).

13. Inventories

The Group's inventories at 31 December 2023 and 2022 were as follows (millions of euros):

Real estate inventories	2023	2022
Raw materials, other procurements and trade inventories		
Land and plots	990	915
Property developments in progress	385	278
Finished property developments	68	17
Advances paid	10	21
Impairment	-291	-298
Total real estate inventories	1,162	933

Other inventories	2023	2022
Raw materials, other procurements and trade inventories	1,108	315
Work in progress and semi-finished goods	578	26
Finished goods	26	7
Assets acquired in settlement of loans	0	11
Advances paid	285	133
Impairment	-92	-39
Total other inventories	1,905	453
Total inventories	3,067	1,386

Real estate inventories

The main increases in 2023 reflect acquisitions of land in Spain and Poland for a total of €120 million. In addition, a net amount of €93 million was transferred from *Land* to *Work in progress* after ground was broken on construction projects. *Translation differences* resulting in gains of €12 million were recognised in *Inventories* at 31 December 2023, mainly due to changes in the exchange rate for the Mexican peso.

Also, sales of land, mainly in Spain, generated net proceeds of €7 million (€23 million in 2022).

The main increases in 2022 comprised various acquisitions of land in Spain and Poland for a total of €119 million. In addition, a net amount of €138 million was transferred from *Land* to *Work in progress* after ground was broken on construction projects. *Translation differences* resulting in gains of €9 million were recognised in *Inventories* at 31 December 2022, mainly in respect of changes in the exchange rate for the Mexican peso.

The Group has continued its intense activity in the development business, increasing the value of developments in progress by €199 million.

In 2023, the Group capitalised financial expenses totalling €8 million in the cost of inventories (€4 million in 2022).

In addition, a balance of €197 million net of work in progress was transferred to *Finished property developments* upon the completion of construction work, and developments were sold for a net total of €145 million.

In 2022, a balance of €179 million net of work in progress was transferred to *Finished property developments* upon the completion of construction work, and developments were sold for a net total of €177 million.

The Group reversed an amount of €4 million from provisions for impairment set aside in respect of certain inventory properties in 2023 (€3 million in 2022), as their recoverable amount was more than their carrying amount according to valuations prepared by independent appraisers not related to the Acciona Group at 31 December 2023.

Based on the appraisals issued by Savills Aguirre Newman and CB Richard Ellis, the estimated value of the Group's inventory property is €1,286 million. These valuations took into account property market distortions and uncertainties, and the Group's current real estate business strategies in relation to the realisation of assets and liquidity.

At 31 December 2022 the net carrying amount of mortgaged inventories was €334,000, mostly in relation to property developments completed in both 2023 and 2022. There were no mortgaged inventory properties at 31 December 2023, due to the sale of the assets concerned and cancellation of the remaining debt outstanding.

At 31 December 2023 the Group had commitments totalling €30 million to purchase land in Spain and Poland subject to certain conditions precedent. At 31 December 2022 the Group had commitments totalling €47 million to purchase land in Spain subject to certain conditions precedent.

Commitments to sell property developments to customers totalled €502 million at 31 December 2023 (€441 million at 31 December 2022). An amount of €101 million out of the balance at 31 December 2023 was instrumented in notes and bills receivable recognised with an equal entry under *Current trade and other accounts payable* on the liability side of the accompanying consolidated balance sheet (€84 million at 31 December 2022). These instruments will be held until delivery of the properties.

14. Assets and liabilities held for sale

Non-current assets held for sale reflected in the accompanying consolidated balance sheet at 31 December 2023 were as follows:

	31.12.2023
Energy division assets	261
Other Activities division assets	74
Total non-current assets held for sale	335

The main assets by division at 31 December 2023 prior to their classification as held for sale were as follows (millions of euros):

Balance at 31.12.2023	Energy Division	Other Activities Division
Property, plant and equipment	246	
Investment property		68
Right of use	10	
Trade and other accounts receivable		5
Deferred tax assets	3	
Other assets	2	1
Assets held for sale	261	74

The main liabilities associated with *Non-current assets held for sale* (recognised under *Liabilities held for sale*) carried in the accompanying consolidated balance sheet at 31 December 2023 were as follows:

	31.12.2023
Energy division liabilities	414
Other Activities division liabilities	91
Total non-current liabilities held for sale	505

The main liabilities by division at 31 December 2023 prior to their classification as held for sale were as follows (millions of euros):

Balance at 31.12.2023	Energy Division	Other Activities Division
Other liabilities	13	1
Debts	372	90
Deferred tax liabilities	28	
Trade payables	1	
Liabilities held for sale	414	91

The cumulative income and expenses recognised directly in equity at 31 December 2023 in relation to assets classified as held for sale totalled were as follows:

Energy Division	Balance at 31.12.2023
Cash flow hedges	2
Total recognised income and expenses	2

Within the framework of the Group's strategy of rotating sufficiently mature assets, Management has initiated the sale of 16 wind farm projects in Spain with a total capacity of 308 MW, all of which are currently in operation. Accordingly, the carrying amounts of these assets will be recovered from the proceeds of their sale and not through continued use. The Group considers it highly likely that these assets will be sold in the short term. Accordingly, the Group has classified the carrying amounts of these assets and associated liabilities under *Non-current assets and liabilities held for sale.*

The Group is also in negotiations with potential buyers with a view to the sale of an office building belonging to the Real Estate activity in Madrid. Management of the Group consider that this sale is highly likely to go ahead in the short term and, accordance, the carrying amount of the asset and all directly related liabilities were classified under *Non-current assets and liabilities held for sale.*

15. Trade and other accounts receivable

Cash and cash equivalents at 31 December 2023 and 2022 were as follows (millions of euros):

	2023	2022
Trade receivables	1,955	1,556
Doubtful trade receivables	87	70
Unbilled production pending certification	2,103	1,294
Trade receivables for sales and services	4,145	2,920
Receivable from associates	46	48
Sundry accounts receivable	558	656
Current concessions under the financial asset model (Note 12)	8	7
Provisions	-352	-291
Total trade and other accounts receivable	4,405	3,340
Current and non-current advances from customers (Note 23)	-2,789	-1,207
Total net balance at 31 December	**1,616**	**2,132**

These financial assets are valued at amortised cost. The increase in *Unbilled production pending certification* is explained mainly by the switch to full consolidation of Nordex (see Note 2.2 h)).

Trade and other accounts receivable break down by division as follows (millions of euros):

	Trade and other accounts receivable		Advances	
	2023	2022	2023	2022
Energy	867	631	-7	-3
Infrastructure	2,652	2,782	-1,315	-1,111
Nordex	1,088		-1,347	
Other Activities	333	268	-120	-93
Intergroup transactions	-535	-341		
Total net balance at 31 December	**4,405**	**3,340**	**-2,789**	**-1,207**

The breakdown for the Construction activity is as follows (millions of euros):

Balance at 31.12.2023	Construction	Nordex
Certified production receivable	546	207
Production pending certification (contract assets)	1,159	789
Sundry accounts receivable	459	96
Provisions	-207	-4
Total construction receivables	1,957	1,088
Advances from customers (contract liabilities)	-1,151	-1,347
Total net balance at 31 December	**806**	**-259**

Balance at 31.12.2022	Construction
Certified production receivable	569
Production pending certification	1,008
Sundry accounts receivable	587
Provisions	-193
Total construction receivables	1,971
Advances from customers	-990
Total net balance at 31 December	**980**

The net balance of construction receivables broken down by customer type is as follows (millions of euros):

	2023	2022
Status	54	43
Regional governments	54	34
Local authorities	14	10
Other	47	74
Public sector subtotal	169	161
Private sector subtotal	127	143
Total Spanish customers	296	304
Total foreign customers	1,661	1,667

The ageing of trade receivables was as follows (expressed in millions of euros):

	2023	2022
Up to 3 months from the invoice date	1,478	1,264
Between 3 and 6 months from the invoice date	76	48
More than 6 months from the invoice date	401	244
Total	1,955	1,556
Unprovided invoices past due by more than 3 months	208	108

Changes in the provision for impairment of trade receivables at 31 December 2023 and 2022 were as follows (millions of euros):

	2023	2022
Opening balance	-291	-282
Increase in provisions for impairment of receivables	-68	-28
Unrecoverable receivables written off	23	28
Provisions released	1	5
Reclassifications and other minor adjustments	-17	-14
Closing balance	-352	-291

16. Cash and cash equivalents

Cash and cash equivalents at 31 December 2023 and 2022 were as follows (millions of euros):

	2023	2022
Cash in hand and at banks	2,868	1,898
Deposits and other	846	462
Total cash and cash equivalents	3,714	2,360

This heading includes mainly cash balances, bank deposits and risk-free deposits with initial maturity of three months or less held by the Group.

The increase in *Cash in hand and at banks* reflects basically the balances contributed by the Nordex subgroup upon full consolidation (see Note 2.2.h)).

Cash and cash equivalents earned interest at market rates in 2023 and 2022.

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There were no material restrictions on the disposal of the balances included under *Cash and cash equivalents at 31 December 2023.*

17. Equity

a) 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 one euro (€1) 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 31 December 2023 and 2022 were as follows:

	31.12.2023	31.12.2022
Tussen de Grachten B.V.	29.02%	29.02%
Wit Europesse Investering B.V.	26.10%	26.10%
BlackRock, INC	3.23%	3.02%

b) Share premium, reserves and translation differences

A detail of the share premium, reserves and translation differences reflected in the consolidated statement of changes in equity is as follows (millions of euros):

	2023	2022
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 (Note 17.d)	653	424
Subtotal, reserves	4,520	4,461
Translation differences (Note 17.d)	-267	-225
Total	**4,423**	**4,406**

The balance of €170 million on the *Share premium* account at 31 December 2023 and 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.

The capitalisation reserve was set aside 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.

c) Treasury shares

Changes in the number of treasury shares and their cost in millions of euros in 2023 and 2022 were as follows:

	2023		2022	
	Number of shares	Cost	Number of shares	Cost
Opening balance	167,109	17	206,199	18
Additions	1,298,695	196	1,558,733	277
Retirements	-1,307,275	-200	-1,552,717	-275
Liquidity contract movements	-8,580	-4	6,016	2
Other additions	11	0		
Other retirements	-48,338	-3	-45,106	-3
Other movements	-48,327	-3	-45,106	-3
Closing balance	**110,202**	**10**	**167,109**	**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.

Gains totalling €2.7 million were recognised in reserves in 2023 as a result of treasury share transactions carried out under the liquidity agreement (€1.3 million in 2022).

A total of 48,327 shares were retired in 2023 under the Share Awards Plan and the Variable Remuneration Replacement Plan for senior executives of the Company, resulting in the recognition of gains totalling €3.1 million in reserves (45,106 shares and recognition of gains totalling €4.2 million in reserves in 2022).

d) Reserves in consolidated companies and translation differences

A detail by business line of the consolidation reserves (including valuation adjustments) and translation differences contributed by subsidiaries, associates and joint operations at 31 December 2023 and 2022 is as follows (millions of euros):

	2023		2022	
Line of business	Consolidated reserves	Translation differences	Consolidated reserves	Translation differences
Energy	511	-23	202	76
Infrastructure	-6	-169	-54	-167
Nordex	-324			
Other Activities	501	-12	319	-134
Consolidation adjustments	-29	-63	-43	
Total	**653**	**-267**	**424**	**-225**

In addition to the parent, the following Group companies were also listed on divers stock exchanges at 31 December 2023:

Company	Type of company	Stock Exchange	Average share price for the last quarter	Year-end share price
Corporación Acciona Energías Renovables, S.A.	Subsidiary	Spain	EUR 26.30	EUR 28.08
Mostostal Warszawa, S.A.	Subsidiary	Warsaw	PLN 6.73	PLN 6.54
Nordex SE	Subsidiary	Frankfurt	EUR 10.20	EUR 10.40
Eve Holding, Inc	Associate	New York	USD 7.41	USD 7.32

e) Valuation adjustments

Cash flow hedges

This heading, included under *Retained Earnings* in the consolidated balance, sheet reflects the amount, net of tax effects, of changes in the fair value of financial derivatives designated as cash flow hedges (see Note 21).

Changes in 2023 and 2022 were as follows (millions of euros):

	2023	2022
Balance at 1 January	216	-41
• Valuation adjustments in the year	13	281
Gross	18	375
Tax effect	-5	-94
• Transfers to profit/(loss) for the year	-155	-24
Gross	-207	-32
Tax effect	52	8
Balance at 31 December	**74**	**216**

f) Non-controlling interests

The balance of non-controlling interests recognised in the accompanying consolidated balance sheet reflects the carrying amount of non-controlling interests in the subsidiaries. The share of non-controlling interests in the profit or loss for the year is stated in the accompanying consolidated income statement.

Changes in 2022 were as follows (millions of euros):

Line of business	Balance at 01.01.2022	Changes in the consolidation perimeter and contributions/repay-ments of capital	Dividends	Valuation adjustments and other changes	Year's profit	Balance at 31.12.2022
Energy	1,232	-18	-26	47	168	1,403
Infrastructure	3		-1		5	7
Other Activities	10	-1	-1		1	9
Total non-controlling interests	**1,245**	**-19**	**-28**	**47**	**174**	**1,419**

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Changes in 2023 were as follows (millions of euros):

Line of business	Balance at 01.01.2023	Changes in the consolidation perimeter and contributions/repay - ments of capital	Dividends	Valuation adjustments and other changes	Year's profit	Balance at 31.12.2023
Energy	1,403	46	-76	-41	130	1,462
Infrastructure	7	5	-1	-2	10	19
Nordex		392		22	-55	359
Other Activities	9	-1	-1		-5	2
Total non-controlling interests	1,419	442	-78	-21	80	1,842

Following the in-kind capital increase without preferential subscription rights carried out by Nordex SE in 2023, Acciona, S.A. raised its interest in the company's share capital to 47.08%, resulting in the acquisition of control on 27 March, whereupon minority interests in the carrying amounts of the identified net assets of Nordex SE totalling €392 million were recognised under the heading *Non-controlling interests* in the consolidated balance sheet. This amount is presented under the heading *Changes in the consolidation perimeter/repayments of capital* in the above chart.

This heading also includes non-controlling interests in the carrying amount amounts of identified net assets of Renomar totalling €118 million following the purchase of an additional 25% interest, which resulted in the acquisition of control of the company (see Note 2).

Meanwhile, the treasury shares buy-back programme approved on 27 August 2023 in relation to Corporación Acciona Energías Renovables resulted in a reduction of €46 million in the carrying amount of non-controlling interests.

Valuation adjustments and other changes in 2023 and 2022 reflect movements due to changes in the value of financial derivatives and translation differences arising mainly in respect of US dollar balances and the impact of convertible bonds issued by Nordex SE for a total of €32 million (Note 19.b).

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A summary of financial information regarding subgroups and subsidiaries representing a material portion of the Group's total assets, liabilities and transactions in which no single shareholder holds a controlling interest is as follows:

31.12.2023	CAER Subgroup	Acciona Energía Internacional Subgroup	Nordex SE	Mostostal Warszawa, S.A.	Acciona Geotech Holding Pty Ltd
% Non-controlling interests	16.73%	25.00%	52.92%	37.87%	20.00%
ASSETS					
NON-CURRENT ASSETS	12,201	2,165	2,182	56	116
CURRENT ASSETS	2,471	282	3,577	223	934
Total assets	**14,672**	**2,447**	**5,759**	**279**	**1,050**
EQUITY AND LIABILITIES					
EQUITY	6,339	1,027	678	26	67
Attributed equity	5,850	869	677	22	67
Valuation adjustments and translation differences	5	-34	-150	-8	-1
Remaining attributed equity	5,845	903	827	30	68
Non-controlling interests	489	158	1	4	
NON-CURRENT LIABILITIES	6,095	1,238	1,415	41	404
CURRENT LIABILITIES	2,238	182	3,666	212	579
Total liabilities	**14,672**	**2,447**	**5,759**	**279**	**1,050**
PROFIT/(LOSS)					
Revenue	3,547	479	5,272	369	2,159
Operating profit/(loss)	916	200	-45	6	128
Profit/(loss) before tax	776	131	-122	3	128
Profit/(loss) after tax	567	86	-105	2	95
Profit/(loss) attributed to non-controlling interests	-43	-10		1	
Profit/(loss) attributed to the parent company	524	77	-105	3	95

In 2023 the Corporación Acciona Energías Renovables, S.A. (CAER) subgroup generated a cash inflow of €364 million on operating activities, a cash outflow of €1,898 million on investing activities and an inflow of €1,662 million on financing activities.

Meanwhile, the Nordex subgroup generated a cash inflow of €161 million on operating activities, a cash outflow of €141 million on investing activities and an inflow of €286 million on financing activities.

31.12.2022	CAER Subgroup	Acciona Energía Internacional Subgroup	Mostostal Warszawa, S.A.	Acciona Geotech Holding Pty Ltd
% Non-controlling interests	17.34%	25.00%	37.87%	17.60%
ASSETS				
NON-CURRENT ASSETS	10,426	2,383	42	83
CURRENT ASSETS	1,833	307	177	723
Total assets	**12,259**	**2,690**	**219**	**806**
EQUITY AND LIABILITIES				
EQUITY	6,261	998	19	-28
Attributed equity	5,870	831	15	-28
Valuation adjustments and translation differences	253	-76	-12	1
Remaining attributed equity	5,617	907	27	-29
Non-controlling interests	391	167	4	
NON-CURRENT LIABILITIES	3,587	1,464	41	232
CURRENT LIABILITIES	2,411	228	159	602
Total liabilities	**12,259**	**2,690**	**219**	**806**
PROFIT/(LOSS)				
Revenue	4,351	510	346	1,059
Operating profit/(loss)	1,225	229	8	-8
Profit/(loss) before tax	1,057	153	6	-12
Profit/(loss) after tax	794	98	5	-8
Profit/(loss) attributed to non-controlling interests	-36	-7		
Profit/(loss) attributed to the parent company	759	91	4	-8

g) Management of share capital

The Group manages share capital to safeguard its capacity to continue operating as a going concern, so as to ensure that it continues to generate returns for shareholders and to benefit other stakeholders, while maintaining an optimal financial and equity structure to reduce the cost of capital. This policy combines value creation for the shareholder with access to financial markets at a competitive cost in order to cover both debt refinancing and to finance investment needs that are not covered by funds generated by the business.

In order to maintain and fine tune the capital structure, the Group may vary the amount of the dividends paid to shareholders, return capital, issue new shares or sell assets to reduce indebtedness.

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In line with other groups operating in the same industries as the Acciona Group, the capital structure is controlled via the leverage ratio, which is calculated by dividing net debt by equity. Net debt is calculated as the sum of current and non-current financial debt, excluding debts relating to held-for-sale assets, less current financial assets and cash and cash equivalents.
The leverage ratio at 31 December 2023 and 2022 was as follows (millions of euros):

Leverage	2023	2022
Net financial debt	6,551	5,253
Non-current bank borrowings	3,809	2,624
Non-current debentures and other marketable securities	4,236	3,101
Current bank borrowings	805	553
Current debentures and other marketable securities	1,214	1,139
Financial debt	**10,064**	**7,417**
Non-current lease obligations	687	439
Current lease obligations	124	72
Lease obligations	**811**	**511**
Other current financial assets	-610	-315
Cash and cash equivalents	-3,714	-2,360
Cash and current financial assets	**-4,324**	**-2,675**
Equity	6,851	6,304
of the Parent Company	5,010	4,885
of non-controlling interests	1,842	1,419
Leverage	96%	83%

h) Restriction on distributions by subsidiaries

Certain Group companies have entered into financing agreements including obligatory clauses relating to the distribution of profits to the shareholders. Specifically, these clauses require compliance with the senior debt coverage ratios established in the contracts.

18. Provisions and litigation

Changes in the liabilities recognised under *Non-current provisions* in the consolidated balance sheets for 2023 and 2022 were as follows:

	31.12.2023	31.12.2022
Opening balance	279	301
Additions and allowances	100	24
Retirements	-15	-12
Transfers	3	-30
Perimeter changes	447	
Other changes	-4	-4
Closing balance	**809**	**279**

The main change in 2023 was the integration of Nordex within the Acciona Group consolidation perimeter, which resulted in an increase in the balance of *Provisions* due to set-asides made by the subsidiary to cover potential cash outflows in respect of repairs covered by warranties, as explained in subsection b) below. Also, the PPA procedure carried out by the Acciona Group resulted in the recognition of provisions to cover the possible outcomes of litigation and arbitration proceedings involving Nordex at the time when the additional 7% interest in the company was purchased (see Note 2.2.h)), as well as other possible risks and uncertainties inherent in the subsidiary's activity.

The Acciona Group operates in a range businesses and in numerous different countries, each with its own specific industry regulations. In the normal course of its business, the Group is exposed to litigation related to these business activities, principally arising from tax claims, claims related to defects in construction projects, and disputes concerning services provided. Part of these risks are covered by insurance policies (civil liability, construction defects, etc.), while appropriate provisions are made for the other risks identified. The nature and amount of the main provisions are detailed below.

a) Constructive obligations: Provisions are recognised for the constructive obligations of subsidiaries accounted for using the equity method when the Group's investments in associates have been reduced to zero. The provision at 31 December 2023 amounted to €19 million euros (€18 million at 31 December 2022). A detail of these provisions by division is as follows, in proportion to the Group's percentage interests in the capital, assets, liabilities, revenue and profit/(loss) of subsidiaries for 2023 (millions of euros):

	Energy	Infrastructure	Other Activities	Total 2023
Assets				
Non-current assets	2	64		66
Current assets		15		15
Total assets	**2**	**79**	**--**	**81**
Equity and liabilities				
Equity		-18	-1	-19
Non-current liabilities	2	78		80
Current liabilities		19	1	20
Total equity and liabilities	**2**	**79**	**--**	**81**
Profit/(loss)				
Revenue		15		15
Profit/(loss) before tax		-12		-12

b) Repairs: These provisions are set aside to cover the cost of repairs agreed with the grantor under concessions operated by the Infrastructure division. Allowances are made systematically each year with a charge to profit and loss. Provisions for repairs also include amounts recognised in respect of warranties extended by Nordex SE. Provisions for warranties 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. Warranties are generally extended for a period of two years after ownership of wind turbines is transferred, but in special cases they may be granted for five years. The provisions made in this respect amounted to €151 million at 31 December 2023 and €20 million at 31 December 2022.

c) Pensions and similar obligations: These amounts relate to (i) provisions for pensions and similar obligations arising mainly from the acquisition of assets from Endesa in 2009, which are detailed and quantified below, (ii) obligations under the remuneration plans explained in Note 35, and (iii) obligations arising in respect of length-of-service entitlements payable to employees in certain countries where the Acciona Group operates (e.g. Australia). The provisions made in this respect amounted to €45 million at 31 December 2023 and €31 million at 31 December 2022.

d) Onerous contracts: This provision is set aside mainly in relation to onerous works and service contracts where it is estimated that losses will be incurred. The Group provides for expected losses on these contracts with a charge to the income statement, when it is determined that the unavoidable cost of performing the obligations under a contract are likely to exceed the expected revenue. Provisions for onerous contracts also include €270 million set aside to cover the estimated cost of possible industry risks and uncertainties identified in the Nordex PPA. These contingencies were estimated, in the main, in view of likelihood scenarios based on specific parameters determined for potentially onerous events and circumstances in the wind turbines manufacturing and maintenance industry. The provision recognised at 31 December 2023 was €289 million (€23 million at 31 December 2022).

e) Decommissioning: These provisions reflect the Directors' best estimate of the cost of commitments to decommission electricity generating plant upon the conclusion of the international projects operated by the Group, where an obligation to dismantle facilities exists based on an analyses of the contracts concerned. These provisions are set aside with a charge to *Property, plant and equipment* and they therefore have no impact on the consolidated income statement upon initial recognition. The provision at 31 December 2023 was €186 million (€153 million at 31 December 2022).

f) Litigation: These provisions relate to legal proceedings in progress in connection with claims brought against the Group in various jurisdictions for different reasons. At 31 December 2023, the Group had set aside provisions of €105 million for litigation (€25 million at 31 December 2022), most of which relate to the Infrastructure division and cover the risk of construction defect claims, and to Nordex SE. The increase in 2023 was due to the allocation made upon the conclusion of the Nordex PPA procedure to cover the possible outcomes of a series of ongoing legal and arbitration proceedings in which the subsidiary appears as defendant. The amount of these provisions was estimated applying a specific percentage representing the likelihood of an adverse outcome in each specific case.

The Group's Directors consider in view of the current situation of proceedings that litigation will not result in any outflow of economic benefits in the short term, subject to the uncertainty inherent in any estimates of this kind.

Provisions are recognised on the basis of best estimates with regard to the risks and uncertainties inevitably surrounding most of the events and circumstances concerned in the litigation. This uncertainty was measured on a prudent basis, meaning that a cautious approach was taken where the use of judgement was necessary, while ensuring that the annual accounts present a true and fair view in any event.

Group Management considers that no significant additional liabilities are likely to arise that are not provided for in the consolidated annual accounts at 31 December 2023.

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 annulling the award of the concession by the regional administration on grounds solely attributable to the Catalan authorities.

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). Meanwhile, the Catalan Regional Government presented its final settlement proposal on 13 March 2020, in which it offered to pay compensation of €56.9 million to ATLL, an amount that is significantly less than the quantum claimed by the company.

The concession operator challenged the proposed settlement, in short because the High Court of Justice of Catalonia had found the contract null rather than void 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 €305 million euros, and the damages incurred at €759 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 and ordering the Regional Government to pay a total of €304.4 million plus interest.

The High Court of Justice has found, then, that the concession operator is entitled 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 consolidated annual accounts.

In March 2023, both ATLL and the Regional Government of Catalonia appealed against the judgment. Both appeals were still at the admission stage at the date of these consolidated annual accounts.

On 30 March 2023, meanwhile, ATLL applied for provisional enforcement of the judgment of 15 December 2022, which ordered the payment of €273 million to the company, plus interest at the legal rate. All of the processes required by the Court for provisional enforcement had been completed at the date of preparation of these consolidated annual accounts and a decision was pending.

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

Finally, the Provincial Court of Madrid issued its decision in relation to the action initiated by certain investment funds against Acciona, S.A., Acciona Construcción, S.A. and the other shareholders of the investee Infraestructuras y Radiales, S.A. (IRASA, which was the sole shareholder of Autopista del Henares S.A.C.E., the former operator of the R-2 toll motorway concession in the Autonomous Community of Madrid) in January 2024, dismissing the appeal filed by the appellant funds and confirming the judgment handed down in the first instance, which had turned down the claim in its entirety. The claimant funds have filed a motion to vacate. The Group considers it unlikely that this appeal will be upheld, and no provision has therefore been made against the final outcome of this litigation.

Provision for pensions and similar obligations

The Group includes provisions for pensions and similar obligations under *Non-current provisions* in the accompanying consolidated balance sheet, mainly in respect of the following items:

- The acquisition of assets and/or companies from the Endesa Group in 2009, which included a defined benefits pension plan with index-linked salary growth. A sample of 79 employees was considered for measurement purposes (83 employees in 2022), 34 of whom have already taken early retirement or are retired (34 retirees at 31 December 2022). Not all of these employees are in the same situation or qualify for the same benefits.

The assumptions used to calculate the actuarial liability in respect of the uninsured defined benefit obligations at 31 December 2023 and 2022 were as follows:

	2023	2022
Interest rate	3.39%	3.74%
Mortality tables	PERM/F2020	PERM/F2020
Expected return on plan assets	3.39%	3.74%
Salary growth	1.50%	1.50%

Changes in the actuarial liabilities related with defined benefit obligations at 31 December 2023 and 2022 were as follows (millions of euros):

	2023	2022
Initial actuarial liability	1	3
Actuarial gains and losses	-	-2
Final actuarial liability	**1**	**1**

Changes in actuarial assets related with defined benefit obligations at 31 December 2023 and 2022 were as follows (millions of euros):

	2023	2022
Initial actuarial assets	1	2
Actuarial gains and losses	-	-1
Final actuarial assets	**1**	**1**

- Following legislative changes in Mexico, a number of formerly subcontracted workers were taken on in late 2021 by an affiliate of the Group, which was subrogated to certain pension obligations that had not been externalised. These obligations were measured based on a sample of 88 employees (59 employees in 2022).

  The assumptions used to calculate the actuarial liability in respect of the resulting uninsured defined benefit obligations at 31 December 2023 were as follows:

	2023	2022
Interest rate	9.85%	9.75%
Mortality tables	EMSSA-09	EMSSA-09
Salary growth	5.00%	6.00%

Changes in the actuarial liabilities related with defined benefit obligations at 31 December 2023 were as follows (millions of euros):

	2023	2022
Initial actuarial liability	2	--
Cost incurred in the year	-	2
Final actuarial liability	**2**	**2**

The total final actuarial assets and liabilities at 31 December 2023 and 2022 were related in their entirety to defined benefit obligations assumed in Spain and Mexico.

The amounts recognised in the consolidated income statement in respect of defined benefit pension obligations in the year ended 31 December 2023 was €0.4 million (€2 million in 2022), reflecting the cost incurred in the year, as well as returns and finance costs on the assets and liabilities associated with these employee benefits.

The Group also has obligations in respect of certain employee social benefits, mainly relating to the supply of electricity during retirement, which affect a number of employees with more than ten years' recognised service to the affiliates affected by this scheme, and to length-of-service bonuses and certain other items included in contracts of employment made by the Mexican affiliate. These obligations have not been externalised and are covered by in-house provisions totalling €3.1 million at 31 December 2023 (€1.7 million at 31 December 2022).

The actuarial changes recognised in respect of these obligations generated a gain of €1.3 million in 2023 (gain of €0.8 million in 2022).

All of above liabilities are associated with schemes agreed by Group companies in Spain and Mexico.

Current provisions

Current provisions mainly comprise allowances set aside by the Infrastructure division and Nordex, primarily in respect of the following:

a) Works completion: mainly provisions made to cover estimated site clean-up costs and other expenses arising between the completion and final settlement of works. The provision at 31 December 2023 was €83 million (€48 million at 31 December 2022).

b) Local taxes, duties and levies: mainly provisions for taxes, duties and levies charged by the Autonomous Communities of Spain, by the Spanish national government or internationally in respect of construction and infrastructure development activities. The provision at 31 December 2023 was €18 million (€13 million at 31 December 2022).

c) Other provisions: mainly provisions for losses on works or services where a large number of similar obligations exist which are likely to require a future outflow of resources to settle as an overall obligation, as well as allowances set aside to cover specific contractual conditions. The provision recognised in respect of these items was €507 million at 31 December 2023 (€175 million at 31 December 2022). This increase is largely explained by the integration of Nordex (Note 2.2.h)).

19. Financial debt

a) Bank borrowings

At 31 December 2023 and 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 (millions of euros):

	2023		2022	
	Current	Non-Current	Current	Non-Current
Non-recourse bank borrowings	84	353	64	372
Mortgage loans to finance non-current assets	1	--	1	1
Mortgage loans tied to property developments	--	--	--	--
Project finance	73	317	50	332
Obligations under finance leases	9	34	12	36
Other debts with limited recourse	1	2	1	3
Recourse bank borrowings	721	3,456	489	2,252
Discounted notes and bills not yet due	--	--	--	--
Other bank loans and overdrafts	721	3,456	489	2,252
Total bank borrowings	**805**	**3,809**	**553**	**2,624**

All financial liabilities described in this Note comprise financial instruments measured at amortised cost except financial derivatives, which are disclosed in Note 21 and are measured at fair value.

Interest on the Group's loans and overdrafts in 2023 and 2022 was benchmarked mainly to EURIBOR for borrowings denominated in euros, although a portion of the Group's borrowings was also tied to other indices including Term SOFR and SOFR for borrowings in US dollars, BBSY for borrowings in Australian dollars, CDOR or CORRA for borrowings in Canadian dollars, WIBOR for borrowings in Polish zloty, and JIBAR for borrowings in South African rand, which are the main benchmark rates used by the Group outside the eurozone. A significant part of the Group's borrowings are hedged by financial derivatives to mitigate the effects of volatility in the interest rates paid by the Acciona Group (see Note 21).

The Acciona Group invests primarily in transport infrastructure, energy assets, water supply infrastructure and hospitals, which are operated by subsidiaries, jointly controlled entities operations and associates and are funded through project finance arrangements.

These financing structures are used for projects capable of providing the lender banks with sufficient assurances regarding repayment of the borrowings arranged. Accordingly, each project is normally executed by a special purpose vehicle through which the related assets are financed, on the one hand, using funds contributed by the developers, which are limited to a predetermined amount and, on the other, out of long-term borrowings arranged with third parties, generally the larger portion of the total funding. Debt service on these loans or credits is backed by the future cash flows expected on the projects financed, and by collateral guarantees on assets and financial claims.

Current and non-current project finance rose by a net amount of €8 million in 2023, mainly as a result of increases resulting from the integration of Renomar (€97 million) and decreases due to scheduled repayments and fluctuations in exchange rates (€74 million), as well as the cancellation of debt refinanced through in-house cash pooling arrangements (approximately €13 million).

The Group's main source of financing in 2023 was *Recourse debt*, however, following the arrangement of various recourse facilities, all of which were remunerated at market rates. The two main operations of this nature were:

First, a syndicated overdraft facility with a term of three years and a limit of €750 million granted by 29 Spanish and international banks to Acciona Energía Financiación Filiales, S.A. The terms of this facility include a discount of 5 basis points on the applicable interest rate subject to compliance with certain sustainability and local KPI targets and "green" use of funds. In terms of liquidity, this operation replaces tranche B of the syndicated facility arranged in 2021, and it improves the flexibility of funding arrangements for ACCIONA Energía's activity insofar as the new facility allows the reuse of amounts repaid during the drawdown period (revolving credit facility).

Second, a three-year loan of AUD 550 million (approximately €330 million) agreed on 21 December 2023. This loan was granted by various Spanish and international banks to the Australian affiliate Acciona Financiación Filiales Australia Pty. Ltd. This loan, which is linked to sustainability/local KPI targets, will be applied to fund growth in the Australian infrastructure market.

The main change in *Recourse bank borrowings* in 2023 consisted of a net €1,436 million increase in *Other bank loans and overdrafts* resulting from drawings against overdraft facilities, disbursements under new loan agreements entered into during the year and utilisations of syndicated facilities granted in the latter months of 2022 to Acciona Financiación Filiales Australia Pty. Ltd. and Acciona Energía Financiación Filiales Australia Pty. Ltd. for respective amounts of AUD 225 and AUD 400 million, and the CESCE-backed loan granted to the affiliate MacIntyre Wind Farm Pty. Ltd. for a total of AUD 1,098 million. The latter loan was amended and renewed in December 2023 to change the identity of the borrower to Acciona Energía Financiación Filiales Australia Pty. Ltd.

On 26 May 2021 the affiliates Acciona Financiación Filiales, S.A. and Acciona Energía Financiación Filiales, S.A. entered into two facility agreements for €800 and €2,500 million respectively. The main purpose of these borrowings was to prepare the financial structure of the Group for the upcoming IPO of Corporación Acciona Energías Renovables and ensure its financial autonomy as a listed company independent of the Parent Company. The two term-loan tranches of the Acciona Energía facility, each for €1,000 million were repaid in advance in 2023, leaving only tranche C outstanding, which consists of a €500 million revolving credit facility. In June 2022 and again in June 2023, the lenders unanimously agreed to accept applications for the extension of tranche C, and the new maturity date set is now 26 May 2028.

Maturity of tranche B of the syndicated facility awarded to Acciona Financiación Filiales, S.A., which consists of a revolving credit line with a limit of €600 million, has also been extended to 26 May 2028. However, there has been no extension of the original maturity date of tranche A (€200 million), which continues to be 26 May 2026.

At 31 December 2023, the Group companies had unused financing available for utilization amounting to €3,567 million 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.

As explained in Note 3.2.I), IFRS 13 requires a change in the techniques applied by the Acciona Group to measure the fair value of derivative instruments, so as to adjust for bilateral credit risk and reflect both own and counterparty risk in fair value.

The credit risk adjustment made resulted in a diminution of €0.7 million in the fair value of derivatives at 31 December 2023, which was recognised by the subsidiaries concerned as a reduction of €0.5 million in the carrying amount of derivatives and as a reduction of €0.2 million in the value of investments accounted for using the equity method, without considering the tax effect. The net effect of taxes and non-controlling interests produced by this change in valuation adjustments for cash flow hedges represented a loss of €0.4 million.

At 31 December 2023 and 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 termination of borrowings.

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

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.

A breakdown of bank borrowings (excluding the value of cash flow hedges) by contractual maturity at 31 December 2023 is as follows (millions of euros):

2024	2025	2026	2027	2028	2029	Thereafter	Total
759	1,250	712	287	732	284	569	4,592

Obligations under finance leases

The Group's obligations under finance leases at 31 December 2023 and 2022 were as follows (millions of euros):

	Minimum lease payments	
Finance lease payables	2023	2022
Less than one year	14	16
Between one and two years	20	12
Between two and five years	13	22
More than five years	0	2
Total lease payables	47	52
Less future finance charges	3	3
Present value of lease obligations	44	49
Less amount due for settlement within 12 months (current liability)	10	12
Amount due for settlement after 12 months	34	36

It is the Group's policy to lease certain facilities and equipment under finance leases. The average lease term is between two and five years. The average effective interest rate in the year ended 31 December 2023 was equal to the market rate. Interest rates are set at the lease contract date. All leases have fixed payments and no arrangements have been entered into to make contingent lease payments.

At 31 December 2023 the Group held certain specialized machinery located in Australia with a total cost of €17 million under a finance lease.

b) Debentures, bonds and marketable securities

At 31 December 2023 and 2022, recourse and non-recourse debentures bonds and marketable securities, 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 (millions of euros):

	2023	2022
Non-recourse debentures, bonds and marketable securities	174	195
Recourse debentures, bonds and marketable securities	5,276	4,045
Debentures, bonds and marketable securities	**5,450**	**4,240**

Changes in these current and non-current liabilities in the consolidated balance sheet at 31 December 2023 and 2022 were as follows (millions of euros):

	2023	2022
Opening balance	4,240	4.030
Issues	6,194	5.052
Repayments	-5,030	-4.866
Other changes	46	24
Closing balance	**5,450**	**4.240**

The main change in *Issues* in 2023 consisted of EMTNs and ECPs (promissory notes) issued by Acciona Energía Financiación Filiales, S.A. and Acciona Financiación Filiales, S.A. for a total of €2,582 million and €3,366 million, respectively, under the Euro Medium Term Notes (EMTN) and Euro Commercial Paper (ECP) programmes described below. *Repayments* reflect the amortisation of bonds issued by the Mexican affiliates and, principally, the repayment of promissory notes totalling €2,040 million by Acciona Energía Financiación Filiales, S.A. and €2,689 million by Acciona Financiación Filiales, S.A.

Other changes comprise mainly the balance of outstanding interest payable and translation differences arising in respect of two bond issues denominated in currencies other than the euro.

The maturities of these obligations in 2024 and thereafter are as follows (millions of euros):

2024	2025	2026	2027	2028	2029	Thereafter	Total
1,169	520	211	704	107	26	2,684	5,420

The main issues of debentures, bonds and marketable securities at 31 December 2023 were as follows:

- Bond issue rated BBB according to Standard & Poors and BBB- by Fitch, carried out by the Mexican subsidiaries CE Oaxaca Dos, S.R.L. de C.V. and CE Oaxaca Cuatro, S.R.L. de C.V. on 10 August 2012 for a total of USD 298.7 million. The purpose of this issue was to finance the development, construction and operation of two 102 MW wind power projects for the Mexican Federal Electricity Commission (FEC). The issue bears interest at a rate 7.25% per annum, payable every six months on 30 June and 31 December until 31 December 2031. Amortization of the debt began on 31 December 2012 and payments will continue every six months until final redemption on 31 December 2031. The non-current balance recognised in respect of this bond issue at 31 December 2023 was €160 million and the current balance was €14 million.

- Euro Commercial Paper (ECP) Programme: The Group launched its first Euro Commercial Paper (ECP) Programme in 2013, and it has been renewed annually since then, most recently on 28 April 2023. Acciona Financiación Filiales, S.A. is the issuer of the programme, which is guaranteed by Acciona, S.A. The maximum amount of the ECP Programme is €1,500 million euros, and it is listed in Euronext Dublin (formerly the Irish Stock Exchange). The programme permits the issue of Notes with maturities of between 3 and 364 days in the euro market The balance recognised under *Current debentures and bonds* in this respect was €656 million at 31 December 2023.

- Issue of ordinary bearer debentures through a private placement made by Acciona, S.A. in April 2014 for a total of €62.7 million euros, maturing in 2024 and with a fixed coupon of 5.55% payable annually. The non-current balance of these bearer debentures, net of transaction costs and interest accruals, was €62.7 million at 31 December 2023, and the current balance was €2.3 million. The fair value of the debenture issue at 31 December 2023 was €62.7 million.

-Seeking to diversify its sources of finance, the Group launched a Euro Medium Term Note (EMTN) programme in 2014, which it has renewed annually since then for successive 12-month periods. This Programme is underwritten by Acciona Financiación Filiales, S.A. and is guaranteed by Acciona, S.A. It was last renewed for a maximum of €3,000 million on 28 April 2023. In accordance with applicable European regulations, the initial prospectus and subsequent renewal prospectuses and supplements are approved by the Central Bank of Ireland. The programme has a BBB rating issued by DBRS. The outstanding issues bear annual interest at rates ranging from 0.40% to 5.30%. The securities issued under this programme may bear fixed or floating-rate interest, may be issued in euros or in any other currency, at or below par, or with a premium, and may have different maturity dates for principal and interest. The balance of the EMTN Programme recognised in non-current debentures and bond*s*, net of transaction costs and interest accruals, was €1,667 million at 31 December 2023, and the current balance was €325 million. The fair value of the notes at 31 December 2023 was €1,865.1 million.

Since the IPO carried out by Corporación Acciona Energías Renovables, S.A., its affiliate Acciona Energía Financiación de Filiales, S.A. has arranged the following debt issue programmes:

- Euro Commercial Paper (ECP) Programme launched on 20 July 2021 and since renewed for successive periods of 12 months, the last time on 21 July 2023. Listed on Euronext Dublin, this Programme is guaranteed by the parent company, Corporación Acciona Energías Renovables, S.A., and the maximum issuable amount is €2,000 million. The promissory notes forming part of the programme are issued at a discount with maturities of between three and 364 days. The rating agency Fitch has awarded the Programme a rating of F3.

  The total balance of €125.5 million in respect of these notes at 31 December 2023, net of transaction costs but including accrued interest payable, was recognised under *Current liabilities* in the accompanying consolidated balance sheet.

- Euro Medium Term Note (EMTN) Programme launched on 20 July 2021 and renewed on 21 July 2023. This programme is guaranteed by the parent company, Corporación Acciona Energías Renovables, S.A., and the maximum amount is €3,000 million. It is rated BBB- by Fitch and BBB (high) by DBRS. As explained above, both the initial prospectus, and the successive renewals and supplements were approved by the Central Bank of Ireland. The securities issued under this programme may be denominated in euros or in any other currency, bear fixed or floating-rate interest, have different maturity dates for principal and interest, and be issued at par, with a premium, or below par.

  - Six-year bonds were issued for a total of €500 million under this programme on 7 October 2021. The annual coupon on this issue was set at 0.375%.

- A second issue of 10-year bonds was made under the programme on 26 January 2022 for a nominal amount of €500 million. The annual coupon on this issue was set at 1.375%.
- A new issue was made under the EMTN Programme on 25 April 2023 through the public placement of 7-year green bonds for a total of €500 million. The annual coupon on this issue was set at 3.75%.

- A further issue was then made on 23 October 2023 through the public placement of 7.5-year green bonds for a total of €500 million. The annual coupon on this issue was set at 5.125%.

- All of the issues made under this programme to date were structured in accordance with the Acciona Group's green financing framework as prevailing from time to time, and they are all fully aligned with the taxonomy of sustainable activities and the conditions of the European Union's green bond standard.

- The total balance recognised in respect of these notes was €1,984.9 million at 31 December 2023, net of transaction costs but including accrued interest payable. Outstanding interest payable is included under current liabilities in the accompanying consolidated balance sheet.

- On 26 April 2022, the affiliate Acciona Energía Financiación Filiales, S.A. issued a green private placement of USD 200 million under the United States Private Placement (USPP) format, which was guaranteed by its parent Corporación Acciona Energías Renovables, S.A. The notes issued have a term of 15 years and a coupon of 4.54%.

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 on 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 has a coupon of 4.25% per annum, payable on a six-monthly basis. The balances recognised under *Non-current and current debentures* in respect of this convertible bond issue at 31 December 2023 were €246 million and €5 million respectively. A balance of €61 million was also recognised in equity, net of taxes, in respect of the equity component of the convertible bond issue (conversion option).

There were no other issues convertible into shares at 31 December 2023, or issues granting 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.

c) Other debt-related information

At 31 December 2023, the average interest rate on debt, including both bank borrowings and debt issued in the form of debentures and other marketable securities, was 3.82% (2.54% at 31 December 2022).

The percentage of debt not exposed to interest rate volatility was 50.26% at 31 December 2023 (54.14% at 31 December 2022).

At 31 December 2023, debt issues in the main foreign currencies in which the Acciona Group operates other than the euro were as follows:

	Financial debt	
Currency	2023	2022
Australian dollar	1,214	298
US dollar	652	655
South African rand	136	165
Indian rupee	31	36
Ukrainian hryvnia	27	32
Canadian dollar	24	27
Dominican peso	16	
Polish zloty	8	9
Croatian kuna		9
Total	2,108	1,231

A reconciliation of the carrying amounts of financial debt, differentiating changes that generate cash flow from those that do not, is as follows (millions of euros):

Balance at 31.12.21	6,383
Cash inflows	4,021
Cash outflows	-3,186
Transfers from held-for-sale liabilities	255
Change in value of derivatives	-69
Cancellation of derivatives	-16
Change in scope of consolidation	9
Translation differences and other	20
Balance at 31.12.22	7,417
Cash inflows	4,434
Cash outflows	-1,393
Transfers to held-for-sale assets (Note 14)	-451
Change in value of derivatives	22
Cancellation of derivatives	-15
Nordex convertible bonds	-90
Change in scope of consolidation	188
Translation differences and other	-49
Balance at 31.12.23	10,063

20. Risk management

The geographical and business diversification of the Acciona Group exposes it to certain risks, which are managed applying the corporate Risk Management System. This is designed to identify events that could potentially affect the organisation, to manage risks by establishing appropriate internal control and operational procedures to keep the likelihood of occurrence and impact of such events within the applicable tolerance levels, and to provide reasonable assurance in relation to strategic business objectives.

Corporate policy in this area integrates risk management with Acciona's strategy and establishes the framework and principles of the Risk Management System.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

The risk management policy addresses all risks associated with the different businesses carried on by Acciona in all geographical regions.

Interest rate risk

Interest rate fluctuations can affect future cash flows related with assets and liabilities contracted at floating rates.

The risk of changes in interest rates is a key factor affecting the funding of infrastructure projects, in the concession contracts entered into by the Concessions and Water activities, in the operation of wind farms and generating facilities by the Energy division, and in other projects where interest rate fluctuations can significantly impact the returns. Risk is managed by means of hedges instrumented using financial derivatives, mainly interest rate swaps (IRS).

Appropriate hedging transactions are contracted to mitigate these risks and ensure that projects generate the expected returns based on the Finance Department's projections of interest rate trends and the hedging needs associated with each project. The level of debt hedged in each project depends on the type of project in question and the country where the investment is made.

The benchmark interest rates for the borrowings arranged by the Acciona Group companies comprise mainly Euribor for transactions denominated in euros, Term SOFR or SOFR for transactions denominated in US dollars, CDOR or CORRA for transactions denominated in Canadian dollars, and BBSY for transactions denominated in Australian dollars. Borrowings arranged for projects in Latin America are normally benchmarked to the normal indices used in local banking practice, or to Term SOFR or SOFR if the projects in question are financed in US dollars. As a general rule, each project is financed in the currency in which the future asset will generate cash flows (natural hedging of the exchange rate risk). The transition from LIBOR was effected in 2023 through the renewal of all positions exposed to USD LIBOR following amendment of the benchmark rates to the new Term SOFR and SOFR indices.

Sensitivity testing of interest rate derivatives and debt

The financial instruments exposed to interest rate risk comprise basically borrowings arranged at floating interest rates and derivative financial instruments.

A simulation was performed to analyse the effects that possible fluctuations in interest rates could have on the Group's annual accounts, assuming a swing of +100 basis points and -25 basis points in the interest rates applicable to floating-rate debt at 31 December 2023.

Based on this analysis, an upward swing of 1% in floating interest rates (basically Euribor and Term SOFR or SOFR) would increase the interest expense by €50 million, while a downward swing of 0.25% would decrease the expense by €12 at 31 December 2023, without considering the impact on derivatives.

The analysis of sensitivity to upward or downward swings in the long-term interest rate curve in relation to the fair value of exchange rate derivatives contracted by the Group for use in cash flow hedges at 31 December 2023 showed the following impacts before tax from a 1% increase or decrease in the interest rate curve (millions of euros):

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Traductora - Intérprete Jurada de inglés
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Sensitivity +1%	Net debt due to derivatives	Net investment in associates	in other valuation adjustments
Group companies	25		25
Associates (*)		-28	-28
Total +1% sensitivity impact	**25**	**-28**	**-3**

(*) Based on the percentage interests held

Sensitivity -1%	Net debt due to derivatives	Net investment in associates	in other valuation adjustments
Group companies	-27		-27
Associates (*)		31	31
Total +1% sensitivity impact	**-27**	**31**	**3**

(*) Based on the percentage interests held

Note: Positive impacts represent increases in derivatives-related debt, and negative impacts represent reductions in the debt.

Foreign exchange risk

The significant internationalisation of the Group's businesses exposes it to foreign exchange risk inherent in transactions in the currencies of the countries where it invests and operates.

This risk is managed by the Group's General Business, Finance and Sustainability Department applying non-speculative hedging criteria.

Foreign exchange risks relate basically to the following transactions:

- Foreign currency debts contracted by Group companies and associates

- Foreign currency debts contracted by the Group financial entity in connection with private placements in the Capital Markets (EMTN). Cross-Currency Swaps are contracted to hedge this short/medium term debt and mitigate interest rate and foreign currency risks associated with debts denominated in foreign currencies. This structure enables the company to obtain synthetic financing in EUR, the Group's functional currency.

- Amounts payable in foreign currencies for procurements, goods and services

- Amounts receivable in foreign currencies

- Investments made in foreign companies

Wherever possible, the Acciona Group uses natural hedges, contracting borrowings in the currency in which the related asset is denominated. Where this is not possible, the Acciona Group contracts currency derivatives (mainly foreign currency hedges) to cover transactions involving future cash flows, within acceptable risk limits.

The net assets resulting from net investments in foreign companies whose functional currency is not the euro are also exposed to foreign currency risk related with the translation of their financial statements in the consolidation process.

A breakdown at 31 December 2023 and 2022 of the current and non-current assets, liabilities and equity denominated in the main currencies in which the Acciona Group operates is as follows (millions of euros):

Currency	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets	Sensitivity (10%)
US dollar (USD)	5,505	888	1,863	815	3,715	372
Australian dollar (AUD)	2,236	1,763	1,780	969	1,250	125
Brazilian real (BRL)	402	662	35	502	527	53
Mexican peso (MXN)	301	473	94	205	475	48
Canadian dollar (CAD)	435	247	154	218	310	31
Indian rupee (INR)	169	250	68	152	199	20
Chilean peso (CLP)	170	350	54	359	107	11
Riyal (SAR)	31	275		204	102	10
Zloty (PLN)	200	378	110	405	63	6
Rand (ZAR)	155	63	162	25	31	3

Currency	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets	Sensitivity (10%)
US dollar (USD)	4,957	634	1,554	850	3,187	319
Australian dollar (AUD)	1,789	1,595	640	1,098	1,646	165
Mexican peso (MXN)	257	397	78	154	422	42
Brazilian real (BRL)	225	200	5	176	244	24
Canadian dollar (CAD)	229	259	71	184	233	23
Zloty (PLN)	155	250	113	155	137	14
Riyal (SAR)	26	405	2	311	118	12
Chilean peso (CLP)	125	235	43	275	42	4
Rand (ZAR)	189	74	199	26	38	4

The last column of the above tables shows the estimated negative impact on the Group's equity of a 10% revaluation in the euro exchange rate with respect to the main currencies in which the Group operates and holds investments.

Sensitivity testing of exchange rate insurance derivatives relating to commercial transactions and CCS

The Group holds exchange rate derivatives to hedge future payments to suppliers in currencies other than the functional currency.

In order to analyse the effect that possible fluctuations in exchange rates could have on the Group's exchange rate hedges, a simulation of the impact on hedged foreign currency transactions was performed assuming a 10% increase or decrease in exchange rates at 31 December 2023.

The analysis of sensitivity to upward or downward swings in the long-term exchange rate curve in relation to the fair value of exchange rate derivatives and CCS contracted by the Group for use in cash flow hedges at 31 December 2023 showed the following impacts before tax from a 10% increase or decrease in the interest rate curve (millions of euros):

Sensitivity +10%	Net debt due to derivatives	Net investment in associates	Other valuation adjustments	Year's profit
Group companies	-46		-0	-46
Associates (*)				
Total +10% sensitivity impact	-46		-0	-46

(*) Based on the percentage interests held

Sensitivity -10%	Net debt due to derivatives	Net investment in associates	Other valuation adjustments	Year's profit
Group companies	56		0	56
Associates (*)				
Total -10% sensitivity impact	56		0	56

(*) Based on the percentage interests held

Note: Positive impacts represent increases in derivatives-related debt, and negative impacts represent reductions in the debt.

Credit risk

Credit risk refers to the likelihood of default by the counterparty to a contract on its obligations, resulting in financial losses. The Group trades and contracts only with solvent third parties, seeking sufficient guarantees to mitigate the risk of losses in the event of default. Furthermore, the Group only contracts with entities with an investment rating that is similar to or higher than its own, and it actively seeks information on its counterparties through independent rating agencies and 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 credit insurance is arranged where necessary.

Default risk, which affects fundamentally the infrastructure division, is assessed before entering into contracts with public and 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.

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.

Exposure to credit and liquidity risk in respect of derivative instruments with a positive fair value is limited in the Acciona Group, because cash is only placed and derivatives arranged with eminently solvent counterparties displaying high credit ratings, and no single counterparty concentrates a material level of the total credit risk.

The definition of fair value of a liability established by IFRS 13 is based on the concept of transfer to a market participant, confirming that own credit risk must be considered to measure the fair value of liabilities. Accordingly, Acciona adds a bilateral credit risk adjustment in order to reflect both its own risk and the counterparty risk in the fair value of derivatives.

Liquidity risk

The Acciona Group manages liquidity risk prudently, ensuring that it holds sufficient cash and marketable securities (Note 16) and arranging appropriate overdraft facilities to cater for all projected needs. As mentioned in Note 19 above, the Group companies had unused financing totalling €3,567 million available for drawing under working capital facilities at 31 December 2023. The average term of these facilities is 2.41 years.

Ultimate responsibility for liquidity risk management lies 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.

In relation to this risk, the Acciona Group has registered two European Commercial Paper programmes as part of its effort to diversify its funding sources, allowing it to issue commercial paper with a term of less than one year up to a maximum aggregate amount of €3,500 million, as well as two Euro Medium Term Notes programme for a maximum of €6,000 million euros (see Note 19).

Risk of budget deviations

The Group has an overarching system of financial and budget controls specifically adapted to the activities of each business, which provides managers with the relevant information and procedures to control potential risks and adopt the most appropriate management decisions. The business and financial information generated by each division is periodically contrasted with forecast figures, and indicators for business volumes, returns, cash flows and other relevant parameters are also assessed. The appropriate corrective measures are taken, where necessary.

Price risk and regulatory risk in the electricity generating industry

As explained in Appendix VI, a significant part of the CAER subgroup's electricity generating activity in Spain is subject to a regulatory framework that was initially established by Spanish Royal Decree Law 9/2013, while a new remuneration system was introduced by Royal Decree 413/2014 regulating electricity generating using renewable energy resources, co-generation and waste. The remuneration system established seeks to ensure a fair return for regulated generating facilities, and to mitigate their exposure to fluctuations in market prices via reviews of the applicable remuneration parameters every three years (interim regulatory period). The legislation also provides for the possibility of future remuneration parameter reviews every six years (regulatory period). Any amendments arising in this respect could affect the assets and facilities subject to this regulation.

Spanish Royal Decree Law 17/2019 set the fair remuneration applicable to the first regulatory period, which was made 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 the return on existing generation assets.

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Following the regulatory changes that occurred in 2023, in particular the publication of Spanish Royal Decree Law 5/2023 of 28 June and Ministerial Order TED/741/2023 of 30 June (see Note 2), it is expected that a significant part of the Group renewables assets will cease to receive any remuneration beyond the market price and will therefore become exposed to fluctuations in the electricity pool price in the 2023-2025 interim regulatory period.

Approximately 20% of the Group's total output in the Spanish electricity market qualified for regulated remuneration in 2023 (35% of output in 2022), and 59% is covered by different price hedging mechanisms (52% of output in 2022). The remaining production is remunerated at market prices.

The Group has sought 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.

With regard to the overall price risk in the other electricity markets where the Corporación Acciona Energías Renovables subgroup operates, approximately 51% of production is subject to long-term purchase price agreements (PPAs or Hedges) with third parties, 17% is subject to regulated or feed-in tariff structures, and the remainder is sold on the open market at unrestricted prices. Almost all of the PPAs entered into by CAER are settled by means of physical deliveries of power, and the contracts are made or maintained in line with power purchasing, sale and demand requirements established in line with the subgroup's strategy. Hence, these contracts are not recognised in the balance sheet (see Note 3.2 I)). The subgroup measures PPAs that are not settled by means of physical delivery (Hedges) at fair value with changes in consolidated profit or loss, or with changes in equity where hedge accounting applies (Note 21).

Risks associated with climate change and the energy transition

Acciona advocates the adoption of ambitious global targets for decarbonisation of the economy, and the Company's business model and risk management system therefore both address the management of the risks and opportunities associated with climate change. This approach has been adopted in line with the European Commission *Guidelines on reporting climate-related information* and the recommendations made by the Task Force on Climate-Related Financial Disclosures (TCFD) set up by the Financial Stability Board.

Governance in climate-related matters falls within the remit of the Audit and Sustainability Committee created by the Board of Directors, which is tasked with the following responsibilities, among others:

- Determination and orientation of the Group's policies, targets, best practices and climate change programmes

- Assessment, tracking and review of the plans drawn up to implement strategies designed by the Group's executives

- Periodic review of internal control systems and management of the level of compliance with the strategies implemented

- Proposal of climate-related policies, targets and programmes to the Board of Directors, as well as estimated implementation budgets

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 results in the implementation of policies and tolerance thresholds designed to achieve objectives within appropriate time horizons.
Short-term (1 year), medium-term (5 years) and long-term (10-years) time frames have been established based on analyses of different scenarios and the emissions reduction targets adopted by the Group.

A range of tools are used to identify climate-related risks and opportunities, including the digital climate change model, which is used to monitor historical and projected climate variables at all of Acciona's facilities, applying different climatic scenarios and time horizons based on recent IPCC reports. This instrument tracks production and financial variables, emissions and energy consumption, as well as developments in climate policies and carbon markets in different regions. Other tools that are not included in the digital model are also used to identify legal obligations, and the experience of the climate risk evaluation team members is likewise an indispensable input.

The climate risk analysis and management process is undertaken annually. A battery of climate risk scenarios affecting all of the Company's facilities, CGUs and/or activities (and its value chain) is prepared using the tools described, based on geographical location, type of activity and vulnerability, as defined and measured by a series of key indicators.

The climate scenarios most commonly used to identify situations of risk are contained in the latest IPCC reports and in the proposals published by the Network for Greening the Financial System (NGFS). Acciona's climate risk assessment scenarios prioritise the NGFS "Current Policies" scenario for physical risks and the "Delayed Transition" and "Divergent Net Zero" scenarios for transitional risks.

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.

Finally, the climate change exposures identified and analysed are included in the Acciona Group's general Risk Management System to determined tolerance levels based on the structure outlined above.

As part of its low-carbon business strategy, Acciona assesses key climate risks and opportunities for the Company on an annual basis. Divers climate risks were flagged in 2023 together with potential impacts, time horizons and geographical scope by business, resulting in the adoption of a raft of management initiatives.

The most significant physical climate risks identified were:

- Potential increase in the cost of capital due to possible decoupling of the Company's performance from its public decarbonisation targets in the short to medium term.

- Decline in hydroelectric output in Spain as a consequence of changes in seasonal rainfall in the medium term.

- Decline in wind generating in Spain due to changes in wind patterns in the medium to long term.

None of the risks identified would have a material impact on the Group's financial performance.

In general terms, the business of the Acciona Group may be considered resilient to climate change, which would have only a moderately low impact in terms of risks but a high impact in terms of opportunities.

The Acciona Group considered the impact of climate change as one of its key assumptions in relation to accounting estimates and judgments in the preparation of the consolidated annual accounts as at and for the year ended 31 December 2023. No impairments of property, plant and equipment or intangible assets, changes in the measurement of financial instruments or additional obligations arose as a result.

21. Derivative financial instruments

The derivative financial instruments contracted and outstanding at 31 December 2023 and 2022 were recognised at market value in the accompanying consolidated balance sheet, as follows:

Millions of euros		31.12.2023			
Type of derivative	Level	Assets (Notes 11 and 12)		Liabilities (Note 22)	
		Current	Non-Current	Current	Non-Current
Energy price hedges	Level 2	14	86		88
Interest rate hedges and CCS	Level 2		27		20
Exchange rate hedges	Level 2	1		7	
Exchange rate derivatives	Level 2	14		2	
Other energy hedges	Level 2		34	15	28
Total derivatives		29	147	24	136

Millions of euros		31.12.2022			
Type of derivative	Level	Assets (Notes 11 and 12)		Liabilities (Note 22)	
		Current	Non-Current	Current	Non-Current
Energy price hedges	Level 2	59	98	10	95
Interest rate hedges and CCS	Level 2		53		6
Exchange rate hedges	Level 2			0,2	
Exchange rate derivatives	Level 2	12		1	
Other energy hedges	Level 2		14	15	17
Total derivatives		71	165	26	117

21.1 Designated hedges

Energy price hedges

The Group companies seek in the course of their operations to make long-term energy sales contracts for all or part of the energy produced by generating facilities in order partially or fully to mitigate the risk of fluctuations in market prices. Depending on the regulatory framework in which the facilities operate, such contracts may involve the physical supply of energy (Power Purchase Agreements or PPAs), or they may be instrumented through financial derivatives in which the underlying is the market energy price with regular settlement of the difference between the market price and the contractually established production price.

In the latter case, the Group marks derivative instruments to market where it cannot be shown that they were contracted in accordance with the energy sales strategy established for the facility concerned. These instruments are treated as designated hedges or as derivatives with changes recognised through the income statement depending on the terms of the contract and the manner in which it is settled.

In order to eliminate the risk of fluctuations in the price applicable to the electricity generated by exposed assets in Spain (see Note 20), the Group arranges short-term energy price hedges in the forward markets (chiefly OMIP, MEFF and EEX), which consist of financial contracts for differences, basically forwards and swaps, in accordance with applicable policies and in line with Group management's expectations regarding the likely trend in Spanish electricity prices.

The Group also contracts derivative energy purchases to hedge the risk of price fluctuations affecting fixed-price contracts with electricity marketing customers. Five affiliates of the Group located in Australia and one in Poland have entered into contracts allowing them to fix the forward price of electricity sales for a specified number of MWh. All of these contracts are marked to market and any changes in fair value are recognised as valuation adjustments in equity.

	2023				2022			
Electricity derivatives	Notional amount	Other liabilities	Other assets	Investments in associates (*)	Notional amount	Other liabilities	Other assets	Investments in associates (*)
Energy derivatives – hedging instruments	2,637	88	100		2,446	105	157	-2

(*) Amount attributed to investments in associates, net of taxes

Interest rate hedges

The Acciona Group regularly arranges interest rate derivatives, which are designated as hedges. These instruments are used to hedge possible changes in cash flows due to interest payments on long-term fixed and floating rate financial liabilities.

The derivative financial instruments outstanding at 31 December 2023 and 2022 were recognised at market value under assets or liabilities in the accompanying consolidated balance sheet depending on fair value in each case and the consolidation method applied, as follows:

	2023				2022			
(millions of euros)	Notional amount	Financial liabilities	Financial assets (Note 12)	Investments in associates (*)	Notional amount	Financial liabilities	Financial assets (Note 12)	Investments in associates (*)
	Cash flow hedges				*Cash flow hedges*			
IRS and CCS	999	20	5	39	976	6	53	50
	Fair value hedges				*Fair value hedges*			
Interest rate swaps	500		22					
Total	**1,499**	**20**	**27**	**39**	**976**	**6**	**53**	**50**

(*) Amount attributed to investments in associates, net of taxes

Interest rate swaps are the main derivative instruments used by the Group to fix or limit fluctuations in the floating rates applicable to hedged borrowings. These financial derivatives are contracted mainly to hedge cash flows on corporate debt issued to finance working capital needs and projects, as well as financing arranged for wind farms and photovoltaic facilities in the energy division, and infrastructure concession financing related with water cycle activities.

The interest rate swaps held by the Group are mainly benchmarked to EURIBOR. At 31 December 2023, the fixed interest rates on EURIBOR benchmarked financial derivative instruments ranged from 0.46% to 5.13%, and at 31 December 2022 from 1.12% to 4.83%.

The Group also uses cross-currency swaps to mitigate the interest rate and exchange rate risks associated with foreign currency debts contracted by the Group financial entity associated with private placements in the Capital Markets (EMTN). This structure allows the Company to exchange flows of capital and interest denominated in foreign currencies for other flows of capital and interest in euros, fixing both the exchange rate and the coupon interest rate in euros.

The amounts recognised by the Group are based on market values of similar instruments at the balance sheet date. Substantially all interest rate swaps are designated and effective cash flow hedges. Accordingly, fair value is deferred and recognised in equity.

The periods in which these hedges are expected to impact the income statement are as follows (millions of euros):

	Future settlements				
	Less than 1 month	1 - 3 months	3 months - 1 year	1 -5 years	More than 5 years
Group companies		-1	-0	-2	14
Associates (*)	2	3	15	16	14

(*) The investment in associates is based on the percentage interests held by the Group without considering the tax effect.

Changes in the fair value of cash flow interest rate hedges are recognised directly in equity (Note 17.e)). The net deferred tax liability arising on recognition of these instruments was €4 million at 31 December 2023 while a deferred tax asset of €11 million was recognised at 31 December 2022. These amounts were recognised in equity (Note 24).

The methods and criteria applied by the Group to measure fair value are described in Note 3.2.I).

The notional amounts of the liabilities hedged by interest rate derivatives were as follows (millions of euros):

(millions of euros)	2023	2022
Group companies	878	339
Associates (*)	622	637
Total notional amount	1,499	976

(*) Based on the percentage interests held

The notional amounts of the contracts entered into do not reflect the risk assumed by the Group but merely represent the basis for derivative settlement calculations. Changes in the notional amounts of the financial instruments contracted for the coming years are as follows:

	Change in notional amounts					
	2024	2025	2026	2027	2028	2029
Group companies	600	787	747	655	642	637
Associates (*)	706	426	278	257	243	189

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(*) Based on the percentage interests held

Exchange rate hedges

The Group uses currency derivatives to hedge significant future transactions and cash flows. Exchange rate insurance contracts were used to hedge a portion of purchases and payments to suppliers in 2023 and 2022, mainly in euros, Chinese yuan, Indian rupees and US dollars.

The derivative financial instruments outstanding at 31 December 2023 and 2022 were recognised at market value under assets or liabilities in the accompanying consolidated balance sheet depending on fair value in each case, as follows:

	2023				2022			
(millions of euros)	Notional amount	Financial liabilities	Financial asset	Investments in associates (*)	Notional amount	Financial liabilities	Financial asset	Investments in associates (*)
Cash flow and fair value hedges								
Exchange rate insurance	523	7	1	0	13	0.2	0.1	0
Total	523	7	1	0	13	0.2	0.1	0

(*) Amount attributed to investments in associates, net of taxes

The transactions outstanding at 31 December 2023 and 2022 as follows (millions of euros):

2023	Currency	Final maturity	Amount contracted	Effect of measurement at market
Foreign currency purchase	AUD/EUR	30/08/2024	2	0
Foreign currency purchase	CNY/EUR	04/11/2024	233	-3
Foreign currency purchase	CNY/USD	05/08/2024	81	0
Foreign currency purchase	INR/EUR	18/11/2024	100	-2
Foreign currency purchase	INR/USD	18/04/2024	36	-0
Foreign currency purchase	USD/CAD	24/09/2024	29	-1
Foreign currency purchase	USD/EUR	05/03/2024	42	-1
Total Group companies			523	-6

2022	Currency	Final maturity	Amount contracted	Effect of measurement at market
Foreign currency purchase	EUR/USD	25/09/2023	10	0
Foreign currency purchase	AUD/EUR	30/08/2024	2	-0
Foreign currency purchase	EUR/AUD	03/07/2023	1	0
Foreign currency purchase			13	0.1

(*) Based on the percentage interests held

Exchange rate hedges marked to market at 31 December 2023 relate basically to the terms of exchange rate insurance contracted to hedge payments to suppliers in China and India. These contracts were contributed by the Nordex Subgroup following the switch to full consolidation (Note 2.2.h)).

The amounts recognised by the Group are based on the market values of similar instruments at the balance sheet date. Substantially all foreign currency transactions are designated and effective cash flow hedges. Accordingly, changes in fair value are deferred and recognised in equity.

Cash flow hedges instrumented through exchange rate insurance contracts are expected to produce losses of €6 million in the income statement at less than one year.

Equity impact of hedging instruments

A summary of the equity impact of measurement of derivative instruments at 31 December 2023 is as follows:

Millions of euros	31.12.2023
Financial liability due to interest rate hedges	20
Financial asset due to interest rate hedges	-5
Positive equity impact due to interest rate hedges contracted by associates, net of tax	-39
Net deferred tax payable on interest rate hedges	4
Impact due to frozen and pre-hedging reserves	-4
Other impacts on profit/(loss) due mainly to CCS	-30
Adjustment due to changes in value of interest rate hedging transactions	-54
Liability under energy price hedges	88
Asset under energy price hedges	-99
Net financial assets settled daily in cash	-22
Net tax liability due to energy contracts	13
Negative equity impact due to energy price hedges contracted by associates, net of tax	0
Impact of ineffective hedges recognised to consolidated profit and loss	-1
Other, mainly due to non-controlling interests in energy price hedging transactions	2
Adjustment due to changes in value of energy price hedges (net of non-controlling interests and tax)	-19
Adjustment due to changes in value of exchange rate hedging transactions (net of non-controlling interests and tax)	-1
Other	0
Total debit balance of valuation adjustments at 31 December (Note 17)	**-74**

21.2 Fair value derivatives through consolidated profit or loss

Exchange rate derivatives

The hedged item under certain exchange rate hedges has accrued and is recognised as outstanding on the balance sheet. Accordingly, the expected future cash flows hedged by the derivatives in question affect the current year's profit or loss as a result of exchange differences. Where hedged items have been recognised, the Group stops recognising impacts of the hedge in reserves and takes any changes in the fair value of hedged items to profit or loss, so as to match the hedged item with the derivative instrument. Derivative instruments contracted to hedge future cash inflows or contributions to international projects of the Acciona Group made in foreign currency are also recognised under this heading.

The derivative financial instruments contracted and outstanding at 31 December 2023 and 2022 were recognised at market value under assets or liabilities in the accompanying consolidated balance sheet depending on the value recognised with changes in profit and loss in each case, as follows:

(millions of euros)	2023 Notional amount	2023 Financial liabilities	2023 Financial assets (Note 12)	2022 Notional amount	2022 Financial liabilities	2022 Financial assets (Note 12)
Derivative instruments with effects in profit and loss						
Exchange rate hedges – recognised in profit or loss	1,089	2	14	606	1	12
Total	1,089	2	14	606	1	12

The transactions outstanding at 31 December 2023 and 2022 as follows (millions of euros):

2023

	Currency	Final maturity	Amount contracted	Effect of measurement at market
		(millions of euros)		
Foreign currency purchase	AUD/EUR	18/01/2024	186	6
Foreign currency purchase	EUR/AUD	21/03/2024	90	-2
Foreign currency purchase	EUR/USD	21/03/2024	778	8
Foreign currency purchase	SEK/EUR	25/01/2024	35	0
Total Group companies			1,089	12

2022

	Currency	Final maturity	Amount contracted	Effect of measurement at market
		(millions of euros)		
Foreign currency purchase	AUD/EUR	03/01/2023	35	0
Foreign currency purchase	EUR/AUD	15/11/2023	291	7
Foreign currency purchase	EUR/USD	23/03/2023	91	4
Foreign currency purchase	USD/EUR	03/01/2023	188	-0
Total Group companies			606	11

These derivative instruments were contracted to hedge short-term foreign currency exposures.

The periods in which these cash flow hedges are expected to impact the income statement are as follows (millions of euros):

	Future settlements				
	Less than 1 month	1 - 3 months	3 months - 1 year	1 -5 years	More than 5 years
Group companies	8	5			

Other energy price derivatives

Certain long-term energy sales contracts settled by differences entered into in Spain, Chile and the United States do not qualify for hedge accounting due to their contractual and settlement terms. Accordingly, the Group measures these contracts at the year end and recognises any changes in value through the income statement under *Profit/(loss) from changes in value of financial instruments at fair value*.

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Electricity derivatives	2023			2022		
	Notional amount	Other liabilities	Other assets	Notional amount	Other liabilities	Other assets
Energy derivatives through profit and loss	1,398	43	34	380	32	14

Changes in value resulted in the recognition of a gain of €8 million under *Profit/(loss) from changes in value of financial instruments at fair value* in the consolidated income statement for 2023 (loss of €60 million in 2022).

22. Other non-current and current liabilities

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

Other liabilities	Non-current		Current	
	2023	2022	2023	2022
Grants	98	94	--	--
Other deferred income	103	27	--	--
Other payables for non-financial derivatives	116	112		
Salaries payable	--	--	262	159
Payable to non-controlling interests	4	7	1	2
Accounts payable to suppliers of fixed assets	34	29	722	846
Tax payables (Note 25)			427	285
Other non-current payables	1,313	865	551	506
Total	1,668	1,134	1,963	1,798

Other payables for non-financial derivatives at 31 December 2023 include an amount of €116 million (€112 million at 31 December 2022) relating to the fair value of non-financial commodities derivatives arranged by subsidiaries of the Energy division to fix the future sale price of electricity for a specified volume of power. These contracts are marked to market.

The main Infrastructure division balances included under *Other non-current payables* comprise a government loan of €61 million granted as part of the financing of the concession operator Concesionaria A-2 Tramo 2, S.A.U. and an amount of €51 million (€74 million in 2022) representing the non-current part of withholdings applied to trade balances payable to construction division suppliers and subcontractors by way of guarantee for the performance of their contractual undertakings. This heading also includes advances received from customers amounting to €533 million (€363 million in 2022), which will be deducted from the amount of future certificates payable in periods of more than one year in international construction projects, and €155 million in respect of customer advances received by Nordex SE under project and service contracts where collections were more than percentage completion of the work.

In 2019 the Group entered into an agreement with a third party to assign future financial awards arising from lawsuits and claims for a fixed price of €213 million, of which €170 million were related to the claim filed in respect of ATLL Concessionària de la Generalitat de Catalunya, S.A (in liquidation) (Note 13), and a contingent price based on the amount finally received upon the resolution of the litigation included in the agreement. As mentioned in Note 13, the compensation of €53.8 million already awarded by the Regional Government of Catalonia to ATLL Concessionària de la Generalitat de Catalunya, S.A., did not form part of the awards assigned.

As explained in Note 19, the concession operator filed suit in the High Court of Justice of Catalonia in November 2020 against the settlement of the contract decided by the Catalan Regional Government. In December 2022, the High Court of Justice of Catalonia issued its judgment upholding the concession operator's appeal and ordering the Regional Government to pay a total of €304.4 million plus interest. The concession operator will settle its obligations towards the above-mentioned third party only after legal proceedings end and the decision becomes final, and only to the extent that it may actually receive the sums claimed. The obligations arising under the agreement for the assignment of future awards in the different lawsuits and claims concerned, including the ATLL claim, were recognised under *Other current payables* in the consolidated balance sheet at 31 December 2023.

Other non-current payables of the Energy division at 31 December 2023 reflect financial contributions of €335 million (€206 million at 31 December 2022) made by non-controlling interests in Group projects and facilities, basically comprising five renewables facilities in the United States, built and operated through the Tax Equity Investor structure. These loans bear annual interest at a rate equal to the contractual target return.

As explained in Note 3.2.O)), *Other non-current payables* also include the cumulative liability arising from market price deviations affecting renewable generating assets subject to Spanish regulations, which totalled €45.8 million (€34.5 million at 31 December 2022).

At 31 December 2023 and 2022 the Group applied the alternative criteria established in the CNMV document on the recognition criteria applicable to "value of adjustments for market price variations (Vajdm)" to IT-00657, IT-00658, IT-00659, IT-00660, IT-00661, IT-00662 and IT-00663 wind farms.

Given the drop in market energy prices and the expected future price trend, the alternative criteria were applied only to the IT-00657, IT-00658 and IT-00659 wind farms in the consolidated annual accounts at 31 December 2023, as it is not considered likely that the other IT-type facilities will obtain returns at higher levels than established in Royal Decree 413/2014 and, accordingly, leaving rather than remaining in the regulated remuneration system could have adverse financial consequences. This conclusion is not supported by independent expert reports. The principal information source used by the Group in this regard was the 2023-2025 OMIP future price curve applicable at the closing date (31 December 2023 and 2022), adjusted on the basis of estimates for the penetration of renewables and other long-term impact effects, in view of which it appears reasonable to suppose that the conclusions reached reflect the market consensus to a significant degree. The unrecognised negative adjustment made in this respect at 31 December 2023 was €106.1 million.

Meanwhile, the negative adjustment for market price deviations affecting IT-type facilities which have not yet reached the end of their regulatory useful lives made in respect of assets operated by the Group with a net present value (NPV) of zero at 31 December 2023 was €70.9 million, of which €30.5 million relate to IT-00654 and IT-00655 type facilities, which will come to the end of their regulatory useful lives in the current interim period.

The change in *Suppliers of fixed assets* is explained mainly by the change in ongoing investments outstanding at wind farms under construction in Canada, Australia and Peru compared to the prior year, and at solar PV plants in the United States and Spain. Payments were also made in 2023 in respect of the acquisition in 2022 of the Cunningham battery energy storage facility project in the United States for a total of €211 million.

Grants comprise mainly amounts awarded for the construction of wind farms in the United States. Changes in 2023 and 2022 were as follows (millions of euros):

	Grants
Balance at 31.12.2021	93
Additions	2
Recognised in *Other revenue*	-6
Other	5
Balance at 31.12.2022	94
Additions	5
Recognised in *Other revenue*	-7
Perimeter changes	8
Other	-2
Balance at 31.12.2023	98

There were no significant changes in 2023 or 2022. *Perimeter changes* in 2023 reflect the purchase of an additional equity investment in Amper Central Solar, S.A., which was previously accounted for using the equity method. The line heading *Other* reflects mainly foreign exchange losses produced by the depreciation of the US dollar against the euro.

23. Trade and other accounts payable

The balance of *Trade and other accounts payable* was €6,958 million at 31 December 2023 and €3,889 million at 31 December 2022. The increase between both years was due basically to balances contributed by Nordex (€2,937 million).

Current balances in respect of advances from customers and work certified in advance recognised at 31 December 2023 and 2022 totalled €2,103 and €844 million, respectively. The increase in the balance in 2023 was due mainly to the integration of Nordex (€1,163 million), while the remaining difference arose primarily in the Infrastructure division (see Note 15).

Average payment period to suppliers

The information required by the second Final Provision of Spanish Law 31/2014, of 3 December, prepared in accordance with the Resolution of 29 January 2016 of the Spanish Institute of Accounting and Audit (ICAC), which refers only to Spain where this legislation is applicable, is as follows:

Average payment period and payments made and outstanding at the reporting date	2023	2022
	Days	Days
Average payment period to suppliers	25	22
Settled transactions ratio	22	20
Outstanding transactions ratio	43	43
(millions of euros)	Amount	Amount
Total payments made	3,836	5,446
Total payments outstanding	553	617

The *Average payment period to suppliers* is the period of time between the delivery of goods or provision of services by a supplier and payment of the transaction.

This average payment period is calculated by adding settled transactions times total payments made and outstanding transactions payable times total outstanding payments, and dividing the result by the total payments made plus outstanding payments.

The settled transactions ratio is calculated as the sum of amounts paid times the number of payment days (i.e. calendar days elapsed between inception and payment of transaction), divided by the total amount of payments made.

The outstanding transactions ratio is calculated as the sum of amounts outstanding times the number of pending payment days (i.e. calendar days elapsed between inception of the payment period and the reporting date), divided by the total amount of outstanding payments.

The information required by Spanish Law 18/2022 of 28 September on enterprise creation and growth with regard to invoices paid before the end of maximum period permitted by default regulations is as follows:

	2023	2022
Payment volume (millions of euros)	3,649	5,154
Percentage of the total value of payments to suppliers	95.14%	94.65%
Number of invoices paid	684,279	404,216
Percent of total invoices paid to suppliers	90.78%	80.53%

24. Tax matters

Tax consolidation

In accordance with prevailing Spanish tax legislation, consolidated tax groups may be formed by a parent and subsidiaries meeting the requisite regulatory conditions. The Group companies in Spain file taxes under the consolidated regime through two tax group. Acciona, S.A. is the parent of one of these groups and the other is formed by the Nordex subgroup, the parent of which is Corporación Nordex Energy Spain, S.L.U., which is registered for tax purposes in the Navarre region.

In addition to the two Spanish tax groups, Acciona files consolidated tax returns in Australia (tax group formed by all divisions operating in the country except subsidiaries of the Nordex subgroup), Germany (handling activity and subsidiaries of the Nordex subgroup, the parent of which is Nordex SE), the United States (various Energy division companies and other companies belonging to the Nordex subgroup) and Portugal (various Energy division companies).

The other Acciona Group companies file individual tax returns in accordance with the applicable national or regional tax legislation, or with the tax legislation prevailing in each overseas jurisdiction.

With effect from 1 January 2008, several Group companies have filed VAT returns under the special regime for corporate VAT groups provided for in Chapter IX, Title IX of the Spanish Value Added Tax Act (Law 37/1992, of 28 December). The parent of the VAT Group is Acciona, S.A. Also, various Energy division entities and the companies of the Nordex subgroup file consolidated VAT returns in Spain under the local laws applicable in the Navarre Region.

Various international VAT groups also exist in the United Kingdom (Industrial activity), Australia (Energy division and Construction activity), United Arab Emirates (Construction, Water and Audiovisual Services activities), Saudi Arabia (Construction, Water and Industrial activities) and Germany (Handling activity and Nordex subgroup).

Years open to tax inspection

On 1 July 2021 the Central Major Taxpayers Office inspectorate notified Acciona, S.A., as the parent company of the tax group, of the commencement of a general audit of corporate income tax for the years 2013-2017 and of VAT for all months in the second half of 2017, as well as personal income tax, non-resident income tax and investment income tax withholdings for the same period. The Central Major Taxpayers Office subsequently proceeded to notify various companies forming part of the tax Group of the start of general inspections of Corporate Income Tax for various different years.

The following additional tax assessments were raised upon the conclusion of the inspection procedure on 11 July 2023:

- Accepted additional personal income tax withholdings of €11,000 and 2017 VAT of €35,000

- Contested additional tax liability of €190,000 (including arrears interest) in respect of income taxes declared for fiscal 2017

- Contested additional tax liability of €2,683,000 (including arrears interest) in respect of income taxes declared for fiscal 2013-2017 The Spanish Revenue Service (AEAT) Technical Office issued its settlement Decision on 27 September 2023 confirming the additional tax assessments raised, and Acciona filed an appeal in the Central Tax Tribunal (TEAC in the official Spanish acronym) on 3 November 2023. The tax debt was suspended upon the presentation of the appropriate guarantee, which has been adequately provided for.

On 10 January 2013, Guadalaviar Consorcio Eólico, S.A. was notified of the inception of corporate income tax and value added tax inspection proceedings for fiscal years 2008 and 2009. This audit examined the value of wind power rights transferred in 2009. The inspection proceedings concluded with a contested additional tax assessment. The company received the proposed settlement from the Technical Office of the Central Major Taxpayers Office on 23 December 2013 and appealed in Spain's Central Tax Tribunal on 13 January 2014. The Tribunal issued its ruling partially upholding the application filed and setting aside the formal settlement by default issued by the tax administration, returning the proceedings to the inspection phase.

On 27 August 2017, the Technical Office of the AEAT Department of Tax and Customs Control issued a notice of compliance with the Central Tax Tribunal's order to return proceedings to the inspection phase and announced a new settlement agreement. An application for administrative review was then filed n the Central Tax Tribunal on 22 September 2017, which handed down its decision on 24 September 2020 (RG 00/0241/2014) partially upholding the application and reducing the tax settlement in respect of the assessments raised. An application for judicial review was filed against this ruling in the Spanish National High Court on 14 December 2020, pleadings were submitted formalising the appeal on 4 May 2021 and concluding arguments were presented on 17 January 2023. A final decision is still pending.

The petition for suspension of the contested measure also sought a full waiver of guarantees, and an application for judicial review was filed in the National High Court on 6 October 2014 against the Central Tax Tribunal's ruling turning down the initial request. The National High Court dismissed the petition for suspension on 19 November 2014. The company appealed in the Spanish Supreme Court on 2 February 2015, and on 28 January 2016 a judgment was issued upholding the appeal filed. Accordingly, the National High Court suspended enforcement of the tax debt. When a new settlement establishing the tax debt was issued in compliance with the ruling issued by the Central Tax Tribunal, the company again petitioned for suspension of enforcement of the debt and a full waiver of guarantee. On 25 June 2019, the Central Tax Tribunal turned down the petition for suspension and the waiver of guarantees. An application for judicial review was filed

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against this decision in the National High Court, and separate suspension proceedings were opened. The National High Court has since ordered the suspension sought, accepting as guarantee the wind rights pertaining to zones 10 and 12 of the Valencia Region wind power plan. Finally, the National High Court issued its judgment upholding the application on 7 March 2022 (Rec. 585/2019) and ordering the suspension sought subject to formalisation of the guarantee offered in the form of wind rights for zones 10 and 12 of the Valencia Region wind power plan.

Notification of the Decision enforcing the Central Tax Tribunal's ruling of 24 September 2020 was issued on 19 June 2021.

Meanwhile, Guadalaviar Consorcio Eólico, S.A. was served notice of Enforcement of the TEAC Decision of 23 March 2022 concerning Elecnor, S.A. and Enerfin Sociedad de Energía, S.L. (RG 00/05239/2021) but not the Decision of 9 May 2022 concerning Guadalaviar Consorcio Eólico.

These Enforcement notices were appealed pursuant to article 241.iii of the Spanish General Taxation Act on 20 July 2021 and 9 June 2022 respectively, and were upheld by the Decisions handed down by the Central Tax Tribunal on 23 February 2023 (RG 00/05632/2021 and RG 00/05704/2022), which erroneously annulled the Enforcement notices on the grounds of the alleged suspension of the TEAC Decision of 24 September 2020. A motion to set these Decisions aside was filed in the TEAC pursuant to article 241.ii of the Spanish General Taxation Act but was turned down by the Decisions issued on 25 April 2023, which were likewise appealed in the judicial review Chamber of the Spanish National High Court with the assent of the Central Taxation Tribunal.

At 31 December 2023, corporate income tax and the other main taxes declared by Acciona, S.A. for all unprescribed and unaudited years remain open to inspection by the Spanish tax authorities, as well as the principal taxes applicable to the companies forming part of its consolidated tax group. In general, the other Spanish consolidated companies have the main taxes applicable in the last four years open to inspection by the tax authorities. Foreign entities are in most cases subject to tax prescription periods of four to five years in the majority of the countries where the Group operates.

Given the different possible interpretations of Spanish tax legislation, eventual future inspections of the years open to review by the tax authorities could result in additional tax liabilities, the amount of which cannot be objectively quantified. However, the likelihood that significant other tax liabilities would materialize in addition to the amounts already recognised is remote, and the directors of Acciona, S.A. understand that any liabilities that might arise would not have a significant impact on the equity of the Acciona Group.

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Tax receivables and payables

Tax receivables and payables at 31 December 2023 and 2022 were as follows:

	2023		2022	
	Non-Current	Current	Non-Current	Current
Receivable				
VAT and other indirect taxes		531		250
Other items		410		391
Public entities	--	941	--	641
Corporate income tax		202		141
Deferred tax	1,416		872	
Total	**1,416**	**1,143**	**872**	**782**
Payable				
Personal Income Tax withholdings		55		34
VAT and other indirect taxes		253		178
Social Security payables		42		30
Other local taxes		57		39
Other		19		4
Public entities	--	426	--	285
Corporate income tax		87		74
Deferred tax	1,326		890	
Total	**1,326**	**513**	**890**	**359**

The line *Other items* include the account receivable from the Catalan Regional Government in respect of the ATLL claim (see Note 12).

Reconciliation of accounting profit and taxable income

A reconciliation of accounting profit and the income tax expense for the years ended 31 December 2023 and 2022 is as follows:

	2023	2022
Consolidated profit before tax	819	869
Profit/(loss) before tax from discontinued operations		
Permanent differences	-107	246
Adjusted accounting income	711	1,115
Tax rate adjusted expense	184	291
Deductions	-7	-12
Unrecognised tax credits	67	68
Income tax expense for the year	244	347
Change in tax rate		
Unrecognised tax loss carry-forwards offset	-12	-5
Effect of prior years' tax and other adjustments	-34	-88
Tax expense on the income statement	**198**	**254**
Current income tax expense	307	235
Deferred income tax expense	-109	19

Permanent differences comprise income and expenditure that are not eligible for inclusion in taxable income in accordance with applicable tax legislation. This line also reflects amounts eliminated in the consolidation process but which are nonetheless fully effective within the scope of the individual tax returns of each Group entity, including in particular those that do not file consolidated tax returns as part of any Acciona, S.A. consolidated tax group.

Significant negative permanent differences in 2023 relate to the consolidation gain arising on the measurement of the existing investment in Nordex at fair value for €260 million and application of the Spanish tax group's capitalisation reserve for €39 million euros.

Meanwhile, significant positive permanent differences include translation differences of €162 million resulting from the consolidation in the functional currency of affiliates which settle income taxes based on financial statements issued in the local currency in accordance with the legislation applicable in the relevant tax jurisdictions, in addition to inflation accounting adjustments of €48 million in companies paying taxes in Chile and Mexico.

Significant positive permanent differences in 2022 included translation differences of €92 million due to the dollarisation of companies, inflation adjustments in Mexican and Chilean companies totalling €77 million and €105 million in respect of non-deductible provisions for risks and charges.

The *Tax rate adjusted expense* reflects the expense calculated at the different tax rates applicable to adjusted accounting income in each of the jurisdictions where the Group operates.

Unrecognised tax credits reflect the impact of tax credits not recognised in respect of losses incurred by certain subsidiaries, mainly belonging to the Nordex subgroup.

The line *Effect of prior years' tax and other adjustments* reflects mainly restatements of tax credits and other deductions recognised in prior years given the existence of projects or transactions allowing recalculation due to exchange rate adjustments affecting deferred tax assets or liabilities associated with the value of plant owned by dollarised subsidiaries in Mexico, Chile and Costa Rica, or as a result of inflation adjustments made in respect of tax credits recognised in jurisdictions where this is permitted.

Taxes recognised in equity

Aside from tax on profits recognised in the consolidated income statement, the Group also recognised the following amounts in consolidated equity in 2023 and 2022 (millions of euros):

	2023	2022
Fair value of financial instruments	48	-93
Total	48	-93

Deferred tax

Certain temporary differences arose in 2023 and 2022 under tax local legislation affecting quantification of the income tax expense in the countries where the consolidated companies are established.

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Deferred taxes were recognised in 2023 and 2022 as a result of the following (millions of euros):

Deferred tax assets arising from	2023	2022
Tax loss carryforwards pending offset	729	367
Deductions pending application	87	92
Derivative financial instruments	31	27
Provisions for assets	37	14
Pass-through taxation (JVs)	9	13
Other	523	359
Total deferred tax assets	1,416	872

Deferred tax liabilities arising from	2023	2022
Revaluation of financial assets		
Allocation of first-time consolidation differences to assets	508	150
Deferred tax liability for accelerated depreciation	521	517
Derivative financial instruments	49	98
Pass-through taxation (JVs)	25	26
Other	223	99
Total deferred tax liabilities	1,326	890

Deferred tax assets and liabilities presented net for accounting purposes at 31 December 2022 were as follows:

Assets	*2023*	*2022*
Other	4	26
Pass-through tax advances (JVs)	10	8
Deferred tax assets	14	34

Liabilities	*2023*	2022
Other	4	26
Pass-through taxation (JVs)	10	8
Deferred tax liabilities	14	34

Tax loss carryforwards generated by subsidiaries before joining the Acciona, S.A. tax group totalled €25.4 million at 31 December 2023. Of this amount, €20.7 million comprised tax loss carryforwards not capitalised in the consolidated balance sheet because it was not certain that sufficient future profits would be generated, or because the applicable tax regulations establish limits and conditions for offset.
Certain foreign subsidiaries also recognised tax credits for loss carryforwards totalling €658 million, mainly in Germany, Mexico, the USA, Chile and Australia. Meanwhile, unrecognised taxable income, mainly generated in the USA, Canada, Chile, Mexico and Brazil totalled €2,038 million.

A detail of unrecognised taxable income by region and maturity is as follows:

Region	Total	No limit	Maturity 4 to 6 years	7 to 9 years	10 years or more
Spain	214	214			
Europe	287	261	16		
Latam	648	375	99	77	23
North America	932	292	24	138	478
Asia and Oceania	81	8	52	17	
Africa	90	83	3		
Total unrecognised taxable income	2,252	1,233	194	232	501

The Acciona, S.A. tax group plans to offset all outstanding tax loss carryforwards in the calculation of 2023 income tax.

The maturities of tax credits recognised in respect of loss carryforwards available to be offset at 31 December 2023 were as follows:

	Amount	Maturity
Acciona, S.A. Tax Group	1	Unlimited
Spanish companies outside the Tax Group	70	Unlimited
International, limited	1	2024
International, limited	1	2025
International, limited	19	2026
International, limited	14	2027
International, limited	38	2028
International, limited	7	2029
International, limited	22	2030
International, limited	17	2031
International, limited	14	2032
International, limited	13	2033
International, limited	1	2034
International, limited	2	2035
International, limited	3	2036
International, limited	6	2037
International, unlimited	500	Unlimited
Total	729	

The Spanish Corporate Income Tax Act (Law 27/2014 of 27 November), which entered into force on 1 January 2015, allows tax loss carryforwards to be offset for an unlimited period.

Effective as of 1 January 2015, the Spanish Corporate Income Tax Act, also removed the limited offset period for double-taxation deductions, including amounts pending application from previous years, and established an unlimited offset period (article 39 of Law 27/2014 of 27 November) while extending the general period allowed to offset other deductions to 15 years, except in the case of R&D+I deductions, for which the period was extended to 18 years.

Unused tax credits total €87.2 million and were generated mainly by the Spanish tax group (€61.7 million in respect of deductions for R&D+I activities), the parent of which is Acciona, S.A.

The offset periods for unused tax credits carried in the consolidated balance sheet of the Acciona Group at 31 December 2023 were as follows (millions of euros):

	Amount	Maturity
Acciona, S.A. Tax Group	5	2030
Acciona, S.A. Tax Group	10	2031
Acciona, S.A. Tax Group	8	2032
Acciona, S.A. Tax Group	5	2033
Acciona, S.A. Tax Group	4	2034
Acciona, S.A. Tax Group	4	2035
Acciona, S.A. Tax Group	3	2036
Acciona, S.A. Tax Group	4	2037
Acciona, S.A. Tax Group	4	2038
Acciona, S.A. Tax Group	4	2039
Acciona, S.A. Tax Group	4	2040
Acciona, S.A. Tax Group	7	2041
Spanish companies outside the Tax Group	22	No
Non-resident companies	3	No
Total	87	

There were no material unused tax credits that had not been recognised at 31 December 2023.

The Acciona Group expects to recover the tax loss carryforwards and tax credits recognised through the ordinary activities of its companies without any risk of loss. The estimated recovery periods for tax credits based on the business plans applicable in the main countries where the Group operates are as follows:

	Amount	Maximum recovery period
Tax deductions and credits, Acciona, S.A. Tax Group (Spain)	62	2 years
Loss carryforwards, USA	93	8 to 10 years
Loss carryforwards, Mexico	103	6 to 8 years
Loss carryforwards, Germany	294	4 to 6 years
Loss carryforwards, Australia	44	2 to 8 years
Loss carryforwards, Chile	48	2 to 7 years
Loss carryforward, United Kingdom	17	4 to 6 years
Loss carryforwards, South Africa	9	6 to 8 years

Most of the deferred tax assets included under the heading *Other* were related to provisions for liabilities, risks, bad debts, time limits on the allowability of interest and adjustments for non-deductible accounting amortisation of 30% applicable to Spanish companies on a temporary basis in 2013 and 2014, and reversible as of 2015, which amounted to €4 million at 31 December 2023, as well as harmonisation adjustments and eliminations of intra-Group margins applied in the consolidation process, which are reversed in line with the depreciation of the assets concerned. This heading also includes adjustments to the tax base due to specific regulations applicable in other countries where certain expenses are not deductible until they are paid, or are not deductible on an accrual basis (Mexico, Chile and the United States).

Other deferred tax liabilities for depreciation and accelerated depreciation comprise mainly tax adjustments for accelerated depreciation permitted by the Eleventh Additional Provision included in the Consolidated Text of the Spanish Corporate Income Tax Act (Royal Legislative Decree 4/2004) by Spanish Law 4/2008. A detail of these deferred taxes is as follows (millions of euros):

	Amount
Spanish Tax Group	57
Other Spanish companies	5
Mexico	173
USA	144
Chile	51
South Africa	32
Australia	21
Canada	15
India	14
Poland	4
Italy	3
Germany	1
Peru	1
Deferred tax liability for depreciation accelerated depreciation	521

Other deferred tax liabilities comprise mostly adjustments related with specific regulations in countries like Mexico, where accounting income is not recognised for tax purposes until invoiced or collected, instead of applying the accrual convention or percentage progress method. This line also includes €18.6 million recognised in respect of the tax imputation of revenue upon the completion of projects in Norway and Panamá, instead of recognition based on percentage progress, as well as the elimination of intra-group margins, which are reversed in line with asset depreciation.

New Top-Up Tax established following the transposition of Pillar Two in Spain

As a major multinational concern, the Acciona Group is subject to the Pillar Two Global anti-base erosion rules (GloBE) approved by the Inclusive Framework of the Organisation for Economic Cooperation and Development (OECD)/G20 with regard to Base Erosion and Profit Shifting (BEPS) on 14 December 2021, which were adopted by the member States of the European Union, among others.

As of 2024, the Group will be liable for the payment of a Top-Up Tax on profits obtained in any tax jurisdiction where it operates in which the effective tax rate, calculated at the level of the jurisdiction in question, is less than the minimum rate of 15%.

The Pillar Two legislation currently in the process of approval in Spain is expected to enter into force in early 2024 backdated to 1 January 2024 and, accordingly, the Group has not recognised any Pillar Two impacts on the 2023 income tax expense or in the consolidated balance sheet at 31 December 2023.

Adaptation to the Top-Up Tax

The Acciona Group has expressly undertaken to apply the OECD's Pillar Two guidelines. The Group is aligned with the principles and measures proposed by the OECD and is currently examining the impact of the new Pillar Two rules in order to establish a compliance and management control system to ensure timely adoption of the applicable regulations.

In this regard, the Group is still completing its analysis, but it has already estimated the Top-Up Taxes likely to arise from application of the Pillar Two rules based on the current regulatory framework, taking into consideration the most recent tax returns filed, the Country-by-Country report and the financial statements of the Group entities. On this basis, it is expected, subject to unforeseen circumstances, that the application of the model Top-Up Tax rules will not have a significant equity impact, given that the effective tax rate in of the main tax jurisdictions in which the Group operates is at least 15% and/or that the significant presence it maintains in the countries concerned in terms of personnel and assets would rule out the existence of any income subject to the Top-Up Tax. Furthermore, where the Group does operate in tax jurisdictions with an effective tax rate of less than 15%, these are not material to its activity as a whole and, therefore, the potential Top-Up Tax impact would likewise not be material.

Reporting obligations

Current corporate income tax legislation in Spain provides tax incentives to encourage certain investments. The Tax Group companies have availed themselves of these benefits.

The Company carried out certain transactions subject to the special regime for mergers, spin-offs, asset contributions or securities swaps mentioned in article 86 of the Spanish Corporate Income Tax Act (Law 27/2014) in 2023, as follows:

- Absorption of Acciona Multiservicios, S.A. by Acciona Facility Services, S.A., formalized in a public deed made on 19 June 2023

- Partial segregation and transfer of assets and liabilities of Acciona Energija D.O.O. to Acciona Energija Global Croatia D.O.O. and Solarna Elektrana Promina D.O.O., formalized in an agreement made on 18 August 2023

- Partial segregation and transfer of assets and liabilities of Acciona Inmobiliaria, S.L. to Locus Acciona 2, S.L. (Acciona Campus), formalized in a public deed made on 24 November 2023

- Absorption of Parque Eólico Virxe Do Monte, S.L., Parque Eólico de Vicedo, S.L., Parque Eólico de Ameixenda-Filgueira, S.L., Parque Eólico de Currás, S.L. and Parque Eólico de A Ruña, S.L. by Parque Eólico de Adraño, S.L., formalized in a public deed made on 28 November 2023

- Absorption of Parque Eólico de Deva, S.L. and Parque Eólico de Tea, S.L. by Parques Eólicos de Buio, S.L., formalized in a public deed made on 28 November 2023

- Absorption of Ceatesalas, S.L.U., Energías Renovables de Barazar, S.L.U., Corporación Eólica La Cañada, S.L.U. and Acciona Eólica Cesa, S.L. by Ceólica Hispánica, S.L.U., formalized in a public deed made on 5 December 2023

The disclosures required by article 86.3 of the consolidated text of the Spanish Corporate Income Tax (Law 27/2014) in relation to transactions carried out in prior years is provided in the accompanying notes to the individual annual accounts subsequently approved by the companies concerned.

Other disclosures

The 7% Value Added Tax on Electricity Generating was suspended with effect from June 2021 by Spanish Royal Decree Law 12/2021 of 24 June adopting urgent measures in the area of energy taxes and electricity generating, and on the administration of the water regulation levy and water use rates. The suspension of this tax will gradually be lifted over a period of six months until its application in full, in accordance with

Spanish Royal Decree Law 8/2023 of 27 December adopting measures to address the economic and social consequences of the conflicts in Ukraine and the Middle East, which entered into force on 1 January 2024.

Spanish Law 7/2022 on waste products and soil contamination for a circular economy made two amendments to the regulation of the water levy, expressly repealing the first transitional profession of Law 12/2015 and rewording article 112.ii of the Spanish Waters Act. These amendments will enter into force in the next tax period (2023), and the first settlement of the levy will be payable in 2024.

Finally, the Spanish Constitutional Court found article 3. One, paragraphs One and Two of Royal Decree Law 3/2016 of 2 December adopting tax measures designed to consolidate the public finances and other urgent social measures to be unconstitutional in a ruling issued on 18 January 2024.

The measures annulled as a result, which directly affected the Acciona, S.A. tax group, comprised the limits set on the application of tax loss carryforwards; the introduction *ex novo* of a limit on the application of double taxation relief; and mandatory stepwise inclusion in the tax base over five years of formerly allowable equity investment impairments in accordance with the Consolidated Text of the Spanish Corporate Income Tax Act approved by Legislative Royal Decree 4/2004 of 5 March.

25. Guarantee commitments with third parties

The Group had issued third-party guarantees to customers, government agencies and financial institutions for a total of €8,063 million at 31 December 2023 and €6,269 million at 31 December 2022. This increase was due basically to the integration of Nordex (€1,013 million) and also to growth in activities in Australia and in the Spanish domestic market.

The purpose of most of the bonds provided was to guarantee due completion of works contracted by the Infrastructure division.

The Group companies understand that any liabilities that could arise from these guarantees would not be significant.

26. Revenue

A breakdown of the Group's revenues is as follows, based on the nature of goods produced and services provided (see also Note 28 *Segment reporting*), and on the levels of investment required, margins and risk profiles established in the business model (millions of euros):

	Business Model				
2023	Long-Term Asset Operation	Service Business	Greenfield Developments Business	Corporate and other	Total Revenue
Energy	2,084	67	1,623	-227	3,547
Construction		83	6,181	37	6,301
Concessions	49			1	50
Water	219	247	739	9	1,214
Urban & Environmental Services		164		1	165
Consolidation adjustments				-7	-7
Infrastructure	268	494	6,920	41	7,723
Nordex	--	527	4,760	-15	5,272
Bestinver		96			96
Real Estate	7		186		193
Services		661			661
Other		10	46	210	266
Other Activities	7	767	232	210	1,216
Consolidation adjustments				-737	-737
Total	**2,359**	**1,855**	**13,535**	**-728**	**17,021**

	Business Model				
2022	Long-Term Asset Operation	Service Business	Greenfield Developments Business	Corporate and other	Total Revenue
Energy	2,503	70	2,008	-230	4,351
Construction		73	4,455	32	4,560
Concessions	51			1	52
Water	209	229	833	1	1,272
Urban & Environmental Services		147		1	148
Consolidation adjustments				-16	-16
Infrastructure	260	449	5,288	19	6,016
Nordex	--	--	--	--	--
Bestinver		101			101
Real Estate	7		240		247
Services		610			610
Other		14	58	153	225
Other Activities	7	725	298	153	1,183
Consolidation adjustments				-355	-355
Total	**2,770**	**1,244**	**7,594**	**-413**	**11,195**

The Group’s different business models are described below, according to the nature, timing, and uncertainty of revenues:

- Long-Term Asset Operation

  This activity comprises the Group’s portfolios of renewable electricity generating assets, civil, transport and water infrastructure concessions, and leased investment proprieties. It is a capital-intensive business, where most of the investment is made at the beginning of the useful life of assets, and a high operating margin is needed to obtain a return on investments and to compensate for operating and maintenance costs. Revenue is characterised by a low level of risk given that it is mostly regulated or comes from long-term contracts with solvent counterparties, while revenue sources are highly diversified. Revenue is recognised at the same time as electricity is generated, or the service is provided, as applicable. In the case of generating assets, the portfolio’s high level of diversification in terms of facilities, technologies and geographical areas means that production is at the same time very stable and highly predictable.

- Services

  This activity includes the group’s service businesses, including operation and maintenance of infrastructure and other related service within the service business activity, as well as financial services (asset management). It is a medium-risk, non-capital intensive activity. In the case of infrastructure services, revenue is generated from long-term operation and maintenance contracts lasting from 5 to 15 years. Revenue is recognised in line with provision of the service. Nordex earns service revenues on operation and maintenance contracts relating to the wind turbines manufactured and supplied by the subgroup’s Projects activity. These contracts have an average term of seven years and are recognised in line with the associated historic cost profile. Financial services generate high margins given the specialisation involved and value added by the business, and they also command a high level of customer loyalty despite exposure to market volatility. Revenue from mediation and consultancy services is recognised in line with the provision of services.

- Greenfield Developments

  This activity encompasses civil engineering (construction of railways, roads, bridges, hydraulic works, etc.), construction of residential and non-residential buildings, construction of industrial and water treatment facilities (involving high technology input) for the most part under turnkey or engineering, procurement and construction (EPC) contracts, and the development and construction of renewable generating assets. The main purpose of this activity is the creation of new and complex infrastructures, for both public and private customers, and for the company’s own portfolio. The low capital intensity of the business allows lower margins in comparison with other the Group’s other businesses, which require higher levels of investment. The revenue horizon depends on the level of the contract portfolio, which is usually between 18 and 36 months. Because work generally involves the creation or transformation of an asset under the customer’s control, revenue is recognised using the percentage completion approach.

  It also includes revenues earned by the Nordex Projects activity, which consists of the manufacture and supply of wind turbines with the capacity to adapt to shifting wind conditions, as mentioned above. In the case of wind turbines manufactured to standard specifications, revenue is recognised when the turbine is installed and commissioned on site. Meanwhile, revenue is recognised gradually based on manufacturing milestones in the case of wind turbines manufactured to special operating specifications in line with the requirements of the customer. This is because these highly specialised wind turbines have no alternative use. The average manufacturing period is 12 months.

Finally, this category also encompasses real estate development activities (residential and office properties), revenue from which is recognised when each property is delivered to the customer, with a generation period of around 36 months, including project development, licensing, execution, etc.

- Corporate and Other Activities

  This category consists mainly of revenue eliminations between different segments upon consolidation, as well as revenue from some residual businesses.

A breakdown of the Group companies' total revenues by geographical area is as follows:

	Spain	European Union	OECD Countries	Other countries	Total
2023					
Energy	2,426	269	757	95	3,547
Infrastructure	1,330	596	4,150	1,647	7,723
Nordex	470	3,230	508	1,064	5,272
Other Activities	878	123	121	94	1,216
Intergroup transactions	-277	-208	-246	-6	-737
Total	4,827	4,010	5,290	2,894	17,021
2022					
Energy	3,198	358	714	81	4,351
Infrastructure	1,142	496	2,743	1,635	6,016
Other Activities	914	77	98	94	1,183
Intergroup transactions	-329	-1	-24	-1	-355
Total	4,925	930	3,531	1,809	11,195

Details of revenues by division and/or activity and their contribution to the Group total are as follows:

Energy

The revenues of the Energy division were as follows (millions of euros):

	2023	2022
Revenues		
Energy (revenues from sales to customers	1,803	2,420
Energy (revenues from settlements of energy sales hedges)	224	-176
Plant and equipment	7	3
Biofuels	3	4
Energy trading	1,433	1,784
Other revenues	46	253
Services provided	31	63
Total Energy revenues	3,547	4,351

The revenues detailed above include an estimate of unbilled energy sales to electricity trading customers located mainly in Spain and Portugal at 31 December 2022. This estimate was calculated based on consumption finally confirmed by the system operators in the month following each monthly close, when invoices are issued.

The Group recognised unbilled sales to electricity trading customers for a total of €114 million at 31 December 2023 (€128 million at 31 December 2022). The decrease in these revenues was largely due to the drop in energy prices.

Concessions

At 31 December 2023, the Acciona Group's main service concession contracts relate to the Concessions and Water activities. Revenues earned on concession agreements falling within the scope of IFRIC 12 amounted to €50 million (Services) and €88 million (Water). The main concessions are detailed in Appendix V.

Since adopting IFRIC 12 the Acciona Group has recognised financial assets associated with concessions in which the grantor guarantees the payment of a quantified or quantifiable amount in the concession agreement, thereby eliminating the operator's demand risk, under non-current receivables and other non-current assets, as explained in Note 3.2.H).

In the case of concession assets, the Group recognises interest income earned at the effective interest rate of the related financial asset, even during the construction phase. This interest income is recognised under *Revenue* and totalled €6 million in the year ended 31 December 2023 (€7 million in 2022).

Construction

The Group earns substantially all its Construction revenue in its capacity as primary contractor.

Infrastructure construction revenue by type of project was as follows (millions of euros):

	2023	2022
Civil engineering	5,129	3,645
Residential building	223	225
Non-residential building	454	353
Other construction activities	21	27
Ancillary construction activities	83	73
Industrial	366	217
Engineering	24	20
Total construction revenue	6,301	4,560

Infrastructure construction revenue by type of customer was as follows (millions of euros):

	2023	2022
Spanish central government	255	143
Regional governments	191	73
Local authorities	132	49
Autonomous entities and state-owned corporations	50	198
Public sector	628	463
Private sector	300	291
Total Spanish customers	928	754
Total international customers	5,373	3,806
Total construction revenue	6,301	4,560

The geographical distribution of the infrastructure construction backlog at 31 December 2023 and 2022 was as follows (millions of euros):

2023	Spain	International	Total
Civil engineering	1,386	11,413	12,799
Residential building	252	19	271
Non-residential building	582	826	1,408
Other construction activities	63	6	69
Ancillary construction activities	41	120	161
Industrial	26	1,403	1,428
Other activities	38		38
Total construction orders	2,386	13,787	16,174

2022	Spain	International	Total
Civil engineering	1,180	10,360	11,540
Residential building	168	41	209
Non-residential building	481	909	1,390
Other construction activities	43	6	49
Ancillary construction activities	46	154	200
Industrial	23	1,616	1,639
Other activities	35		35
Total construction orders	1,976	13,086	15,062

Nordex

A breakdown of Nordex segment revenues for the 9-month period from 1 April (date adopted for recognition of the business combination for the purposes of simplification) until 31 December 2023, and of the backlog at the year end is as follows (millions of euros):

	Revenue April-Dec. 2023	Backlog 31/12/2023
Projects (wind turbines)	4,760	6,911
Services (M&O)	527	3,626
Eliminations and other	-15	N/A
Total	5,272	10,537

The geographical distribution of the Nordex Projects backlog was as follows (millions of euros):

	Project backlog 31/12/2023
Europe	5,796
North America	252
Latin America	702
Rest of the world	161
Total	6,911

Other revenue

Other revenue recognised in the accompanying consolidated income statement for the year ended 31 December 2023 totalled €946 million (€1,016 million in 2022), primarily in respect of work carried out by the Group for its own property, plant and equipment, mostly comprising electricity generating facilities in the United States, Australia, the Dominican Republic, Croatia, Peru and Spain, as well as work carried out for, and charged on to, joint venture partners in the Construction activity.

27. Expenses

The Group's expenses were as follows (millions of euros):

	2023	2022
Cost of goods sold	5,853	3,483
Personnel expenses	2,927	2,077
Wages, salaries and similar amounts	2,429	1,750
Social security costs	417	285
Other personnel expenses	81	42
Other operating expenses	7,504	4,645
Taxes other than income tax	219	138
Other current operating expenses	33	31
Subtotal	16,536	10,374
Provisions	157	111
Depreciation and amortisation charge	943	651
Total	17,636	11,136

Employees

The average headcount in 2023 and 2022 was as follows:

	2023	2022	Change
Executives and managers	3,663	3,008	655
Qualified line personnel	12,186	8,491	3,695
Clerical and support staff	3,307	1,780	1,527
Other employees	38,687	32,614	6,074
Total average headcount	57,843	45,892	11,950

The Group headcount by gender in 2023 and 2022 was as follows:

	2023			2022		
	Men	Women	Total	Men	Women	Total
Executives and managers	2,833	829	3,663	2,341	667	3,008
Qualified line personnel	8,551	3,635	12,186	5,807	2,684	8,491
Clerical and support staff	1,548	1,759	3,307	604	1,176	1,780
Other employees	29,469	9,219	38,687	24,605	8,008	32,614
Total average headcount	42,401	15,442	57,843	33,356	12,536	45,892

The Group's headcount by segment was as follows:

	2023	2022	Change
Energy	3,099	2,354	745
Infrastructure	25,782	23,070	2,712
Nordex	7,323		7,323
Other Activities	21,639	20,468	1,172
Total average headcount	57,843	45,892	11,950

The segment headcount by gender in 2023 and 2022 was as follows:

	2023			2022		
	Men	Women	Total	Men	Women	Total
Energy	2,315	784	3,099	1,703	652	2,354
Infrastructure	21,440	4,342	25,782	19,149	3,921	23,070
Nordex	6,115	1,208	7,323			
Other Activities	12,531	9,108	21,639	12,505	7,963	20,468
Total average headcount	42,401	15,442	57,843	33,356	12,536	45,892

The parent company employed 170 staff in 2023 (164 in 2022), and the rest were employed by the Group's subsidiaries.

The consolidated companies had an average of 1,011 direct and indirect employees with a disability level of 33% or over in 2023 (1,000 in 2022). Spanish Royal Legislative Decree 1/2013 of 29 November approving the Consolidated Text of the Disabled Persons Rights and Social Integration Act establishes a minimum quota of 2% for the recruitment of disabled persons in companies with more than 50 employees. An average 4.64% of employees in Spain were employed under disability contracts in 2023 (4.37% in 2022).

Lease expenses

At 31 December 2023, a total of €237 million was recognised under *Other operating expenses – Leases* in the accompanying consolidated income statement (€141million in 2022).

Variable rents amounted to €39 million in 2023 (€30 million in 2022). A breakdown by division of the fixed and variable rents incurred by the Group under operating leases in the years ended 31 December 2023 and 2022 is as follows:

2023

Division (millions of euros)	[a] Fixed rents	[b] Variable rents	Key variable rent parameters	% [c]=[b]/[a]
Energy	46	14	MWh	30%
Infrastructure	90	25	Machine hours	27%
Nordex	3		N/A	0%
Other Activities	22		N/A	0%
TOTAL	**161**	**39**	**-**	**-**

2022

Division (millions of euros)	[a] Fixed rents	[b] Variable rents	Key variable rent parameters	% [c]=[b]/[a]
Energy	52	16	MWh	30%
Infrastructure	77	14	Machine hours	18%
Other activities	20		N/A	0%
TOTAL	**149**	**30**	**-**	**-**

The Energy division enters into land lease contracts with variable rents subject to MWh produced or the amount invoiced by the technical facility, which allows a logical correlation to be established between the income generated by the energy facility and one of its main operating costs. Estimations of future variable rent flows are conditional on the evolution of technical conditions such as corrective maintenance and downtimes, and meteorological conditions such as hours' sunshine or wind affecting energy production in the countries where the Acciona Group operates.

Variable rents in the infrastructure division are associated with machinery rentals charged on the basis of machine hours. These rents are non-recurring. The existence of variable rents makes it possible to align the costs incurred with works completion deadlines and resource consumption, so that there is a natural mechanism that adjusts costs to the level of production in the event of construction delays. The estimated future cash flows from variable rents are conditional upon the evolution of the division's works portfolio and the type of projects awarded to the Group, which in turn determine the kinds of machinery and resources that will be required to undertake the work. Hence, it is not possible to estimate these cash flows reliably.

The amount of low value, short-term lease contracts applying the exceptions to IFRS 16 described in note 3.2.C) was €198 million (€111 million in 2022).

Change in provisions

A detail of the changes in provisions reflected in the consolidated income statement is as follows (millions of euros):

	2023	2022
Changes in provisions for unrecoverable receivables	68	23
Changes in provisions for inventories	6	6
Other provisions	84	83
Total	157	111

Other provisions at 31 December 2023 and 2022 included the provision for asset replacements and major repairs in concessions recognised under the intangible model, as well as the provision for litigation. This heading also includes the impact of provisions for the completion of construction work and provisions for onerous contracts.

Impairment and profit/(loss) on disposals of non-current assets

Amounts recognised in the consolidated income statements for 2023 and 2022 were as follows (millions of euros):

	2023	2022
Profits/(losses) on disposals of non-current assets	2	34
Impairment of other assets (Note 4)	-14	-19
Total	-12	15

Profits/(losses) on disposals of non-current assets in the year ended 31 December 2023 comprised mainly the gain of €2.2 million obtained on the sale of 50% of the investment in Entorno Urbano y Medio Ambiente, S.L.

An amount of €14 million was recognised under *Impairment of other assets* at 31 December 2023 relating to the provision set aside by the Energy division for discarded development projects.

Profits/(losses) on disposal of non-current assets in 2022 comprised mainly a gain of €21 million (CAD 28 million) obtained on the sale of 75% of the investment held in the Canadian road concession operator Windsor Essex Mobility Group Partnership. 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. (see Note 10).

Profit/(loss) from changes in value of financial instruments at fair value

Changes in the fair value of financial instruments at 31 December 2023 were related mainly with the fair value of long-term energy sales contracts entered into by Group subsidiaries in the United States, Australia and Chile to supply specific amounts of energy at a fixed price. An loss of €1 million was also recognised in respect of ineffective energy price derivatives at 31 December 2023 (€5 million in 2022) (see Note 22).

Other gains or losses

Other gains or losses reflect basically the net results arising on stepwise business combinations requiring restatement of the existing investment in accordance with IFRS 3. Gains of €260 and €145 million were

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recognised at 31 December 2023 in respect of the Nordex and Renomar business combinations, as well as a loss of €12 million incurred on the combination with Amper Central Solar, S.A. (see Note 2.2 h)).

28. Segment reporting

Segment reporting is based on the nature of the goods and services produced by the Group. The Acciona Group's business model rests on the twin pillars of energy and infrastructure, which support product and service proposals focused on the solutions required to meet the challenges facing modern society at all times under the guiding principle of sustainable development.

As explained in Note 3.2 H) above, the increase in the equity interest held in Nordex to 47.08% resulted in a business combination and change in the consolidation method applied to 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. For this reason, the financial situation and results contributed by Nordex' activity to the Group have been treated as a new business segment since 1 April 2023.

The Group also has other lines of business, which are grouped under *Other activities*. These comprise mainly fund management and stock broking services, the real estate business, manufacture of electric vehicles, motorbike sharing (*motosharing*) services, museum interior design and the provision of other services like facility management and airport handling.

Each of the segments constitutes a standalone business with its own management and reporting structure to evaluate the attainment of objectives. The information reported to the Acciona Group's corporate management department for the purposes of segment performance assessments and resource allocation is structured according to segmentation criteria. Inter-segment sales are made at market prices.

Renewables generating and other activities involved in the decarbonisation of the economy and sustainable use of natural resources including, for example, energy efficiency and green hydrogen projects, are instrumented through the majority shareholding in Corporación Acciona Energías Renovables, S.A. (CAER). Meanwhile, the activity consisting of manufacture and supply of wind turbines and provision of related operation and maintenance services is instrumented through the controlling interest held in Nordex SE (Nordex). As the shares of these entities are listed on different stock exchanges, both Energy and Nordex are defined as segments in order to facilitate comprehension of the earnings and operations they contribute to the overall profits and financial situation of the Acciona Group as a whole, and to align this contribution with the performance of their Management bodies. The segment income statements reported reflect exclusively the consolidated income and expenses recognised by these listed companies as independent entities, less the costs inherent in their acquisition by the Acciona Group, basically comprising provisions/impairments booked in respect of the assets identified in the Purchase Price Allocation (PPA) procedure (currently applicable only in the case of Nordex), and less the amount of financial costs associated with corporate debt contracted to finance these investments, including the relevant tax effects. Likewise, the segment statements of financial position only differ from the stand-alone balance sheets of the CAER and Nordex SE subgroups with regard to the necessary adaptations made in respect of acquisition costs and differences relating to the carrying amounts of assets identified in the Nordex PPA. Other minor differences may also exist, however, due to harmonisation and/or differences in presentation criteria.

For ease of understanding of the different segments' results and in line with the management approach taken by the Acciona Group Directors in relation to segment reporting, certain amounts in respect of corporate transactions are presented in an additional column in the following chart so as to facilitate comprehension of the ordinary course of the business. Where these effects are material in relation to the overall results of the Group, however, the information is broken down to contextualise it in relation to the segment responsible for the resource or activity concerned.

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Finally, the information is also presented in terms of the geographical areas in which the operations take place.

Segment reporting and the effects of corporate transactions as at and for the years ended 31 December 2023 and 2022 are as follows (millions of euros):

Balance at 31.12.2023	Segment						
	Energy	Infra-structure	Nordex	Other Activities	Intergroup transactions	Corporate transactions	Total Group
ASSETS							
Property, plant and equipment, intangible assets and investment property	10,638	703	1,449	652	-197		13,245
Right of use	476	182	173	51	-58		824
Goodwill	13	132	1,098	126			1,369
Non-current financial assets	67	45	52	35	-15		184
Investments accounted for using the equity method	289	444	82	81	-164		732
Other assets	718	641	424	195	36		2,014
Non-current assets	12,201	2,147	3,278	1,140	-398	--	18,368
Inventories	175	259	1,285	1,224	124		3,067
Trade and other accounts receivable	867	2,652	1,088	333	-535		4,405
Other current financial assets	155	82		326	47		610
Other assets	234	533	254	154	-24		1,151
Cash and cash equivalents	736	1,787	926	290	-25		3,714
Non-current assets classified as held for sale	262			73			335
Current assets	2,429	5,313	3,553	2,400	-413	--	13,282
Total assets	**14,630**	**7,460**	**6,831**	**3,540**	**-811**	**--**	**31,650**
EQUITY AND LIABILITIES							
Consolidated equity	6,298	1,293	1,751	-2,420	-71	--	6,851
Financial debt	3,835	737	252	3,228	-7		8,045
Other liabilities	2,260	962	1,163	180	-75		4,490
Non-current liabilities	6,095	1,699	1,415	3,408	-82	--	12,535
Financial debt	267	61	43	1,643	5		2,019
Trade and other accounts payable	496	3,201	3,093	462	-294		6,958
Other liabilities	1,059	1,206	529	357	-369		2,782
Liabilities directly associated with non-current assets classified as held for sale	415			90			505
Current liabilities	2,237	4,468	3,665	2,552	-658	--	12,264
Total equity and liabilities	**14,630**	**7,460**	**6,831**	**3,540**	**-811**	**--**	**31,650**

Balance at 31.12.2023	Segment						
	Energy	Infra-structure	Nordex	Other Activities	Intergroup transactions	Corporate transactions	Total Group
Revenue	3,547	7,723	5,272	1,216	-737	--	17,021
Revenue	3,523	7,330	5,077	1,091			17,021
Revenue to other segments	24	393	195	125	-737		
Other operating income/(expenses)	-2,343	-7,240	-5,155	-1,161	707		-15,192
Equity method profit/(loss) - analogous	81	68		-1	4		152
Gross profit/(loss) from operations	1,285	551	117	54	-26	--	1,981
Allowances	-491	-359	-162	-94	5		-1,101
Impairment and profit/(loss) on disposals of non-current assets	-10	5		7	-14		-12
Other gains or losses	132	-8	260	-1			383
Operating profit/(loss)	916	189	215	-34	-35	--	1,251
Financial profit/(loss)	-204	-33	-110	5	-4		-346
Profit/(loss) from changes in value	9			8			17
Equity method profit/(loss) – non-analogous			-103				-103
Profit before tax	721	156	2	-21	-39	--	819
Corporate income tax expense	-195	-39	16	18	2		-198
Year's consolidated profit/(loss)	526	117	18	-3	-37	--	621
Profit/(loss) after tax of discontinued operations							
Year's profit	**526**	**117**	**18**	**-3**	**-37**	**--**	**621**
Non-controlling interests	-130	-10	55	5			-80
Profit attributable to the parent company	396	107	73	2	-37	--	541

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Balance at 31.12.2022	Segment					
	Energy	Infra-structure	Other Activities	Intergroup transactions	Corporate transactions	Total Group
ASSETS						
Property, plant and equipment, intangible assets and investment property	8,940	638	679	-59		10,198
Right of use	376	134	38			548
Goodwill		136	113			249
Non-current financial assets	32	49	182			263
Equity accounted investments	423	349	960	-2		1,730
Other 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 accounts receivable	631	2,782	364	-437		3,340
Other current financial assets	200	19	96			315
Other assets	204	499	105	-19		789
Cash and cash equivalents	612	1,429	319			2,360
Non-current assets classified as 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**
EQUITY AND LIABILITIES						--
Consolidated equity	6,223	1,054	-904	-69	--	6,304
Financial debt	2,152	861	3,151			6,164
Other liabilities	1,435	742	130	-4		2,303
Non-current liabilities	3,587	1,603	3,281	-4	--	8,467
Financial debt	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 directly associated with non-current assets classified as 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 31.12.2022	Segment					
	Energy	Infra-structure	Other Activities	Intergroup transactions	Corporate transactions	Total Group
Revenue	4,351	6,016	1,183	-355		11,195
Revenue	4,316	5,784	1,095	0		11,195
Revenue to other segments	35	232	88	-355		0
Other operating income/(expenses)	-2,808	-5,699	-1,107	328		-9,286
Equity method profit/(loss) - analogous	110	51	-2			159
Gross profit/(loss) from operations	1,653	368	74	-27		2,068
Allowances	-434	-273	-56	1		-762
Impairment and profit/(loss) on disposals of fixed assets	-12	26	1			15
Other gains or losses	18	-4	-1			13
Operating profit/(loss)	1,225	117	18	-26		1,334
Financial profit/(loss)	-155	-31	-15			-201
Profit/(loss) from changes in value	-64		-6			-70
Equity method profit/(loss) – non-analogous			-194			-194
Profit before tax	1,006	86	-197	-26		869
Corporate income tax expense	-250	-16	5	7		-254
Consolidated profit/(loss) for the year	756	70	-192	-19		615
Profit/(loss) after tax of discontinued operations						--
Year's profit	**756**	**70**	**-192**	**-19**		**615**
Non-controlling interests	-168	-5	-1			-174
Profit attributable to the parent company	588	65	-193	-19		441

Corporate transactions did not result in any material profits or losses in 2023 and 2022.

Consolidated revenues and EBITDA in the Energy and Infrastructure segments were as follows (millions of euros):

31.12.2023

Division	Revenue	EBITDA
Power	1,851	1,299
Non-power	1,696	-14
Energy	3,547	1,285
Construction	6,301	370
Concessions	50	67
Water	1,214	95
Urban & Environmental Services	165	18
Consolidation adjustments	-7	
Infrastructure	7,723	551

31.12.2022

Division	Revenue	EBITDA
Power	2,240	1,708
Non-power	2,111	-55
Energy	4,351	1,653
Construction	4,560	227
Concessions	52	37
Water	1,272	89
Urban & Environmental Services	148	14
Consolidation adjustments	-16	
Infrastructure	6,016	368

EBITDA is calculated based on the following items reflected in the consolidated income statement:

	31.12.2023	31.12.2022
Revenue	17,021	11,195
Other revenue	946	1,016
Change in inventories of finished goods and work in progress	388	72
Cost of goods sold	-5,852	-3,483
Personnel expenses	-2,927	-2,077
Other operating expenses	-7,747	-4,814
Equity method profit/(loss) - analogous	152	159
EBITDA	1,981	2,068

Revenue and the balances of the Group's total, non-current and current assets by geographical area are as follows (millions of euros):

	Revenue		Total assets		Non-current assets		Current assets	
	2023	2022	2023	2022	2023	2022	2023	2022
Spain	4,827	4,925	9,445	7,361	5,806	4,688	3,638	2,673
European Union	4,010	930	5,476	2,113	2,584	1,543	2,891	570
OECD	5,290	3,531	12,751	10,292	8,600	7,227	4,151	3,065
Other countries	2,894	1,809	3,978	2,829	1,378	947	2,602	1,882
Total	17,021	11,195	31,650	22,595	18,368	14,405	13,282	8,190

Revenue and non-current assets from significant countries other than Spain, i.e. countries where more than 10% of income is obtained from third-party customers and non-current assets represent more than 10% of total assets according to IFRS 8, were as follows (millions of euros):

	Revenue		Non-current assets	
	2023	2022	2023	2022
Australia	2,464	1,637	2,203	1,740
Mexico	423	355	1,642	1,695
USA	416	125	3,004	2,251

29. Finance income and costs and other income and expenses for the year

The financial income and costs of the Group were as follows (expressed in thousands of euros):

	2023	2022
Financial income	169	47
From other financial instruments – associates	2	1
Other financial income	168	46
Financial costs	-511	-257
On payables to third parties	-587	-273
Capitalisation of borrowing costs	76	16

Other finance income and capitalised of finance costs

The Group capitalised borrowing costs amounted to €75.5 million at 31 December 2023 (€16.2 million at 31 December 2022), practically all in respect of property, plant and equipment (see Note 4). Borrowing costs capitalised in inventories totalled €8.6 million in 2023 and €3.9 million in 2022 (see Note 3.2.J)).

Finance costs

A total of €37 million receivable from third parties by fully consolidated Group companies were deducted from *Equity* and included in *Other financial income* in 2023 as a result of periodic settlements of hedging derivatives (expense of €10 million in 2022).

An additional amount of €14.1 million (€0,5 million in 2022), also arising from periodic derivatives settlements, was recognised as an increase in the results of companies accounted for using the equity method.

30. Proposed application of profits

The proposed application of the profit for 2023 which the Board of Directors will submit for approval by the Shareholders at their Annual General Meeting is shown in the following chart (in euros). This proposal is presented together with the actual application of the 2022 profit approved at the Annual General Meeting held on 23 June 2023.

	2023	2022
Distribution basis:		
Profit of Acciona, S.A.	89,445,776.05	74,790,478.81
Distributable voluntary reserves	224,873,511.10	180,156,231.64
Total	314,319,287.15	254,946,710.45

	2023	2022
Distribution:		
Statutory reserve	8,944,577.61	7,479,047.88
Capitalisation reserves	39,319,942.49	612,724.07
Voluntary reserves		
Dividends	266,054,767.05	246,854,938.50
Total	314,319,287.15	254,946,710.45

The proposed application of 2023 profit envisages the distribution of a dividend of €4.85 per share.

The Company may distribute dividends only after it has appropriated funds to cover prior years' losses, set aside 10% of the profit for the year to the legal reserve (until the balance thereon is equal to 20% of share capital) and covered all obligations specified in the Articles of Association.

In accordance with its bylaws, Acciona, S.A. must in any event make appropriations to the legal and statutory reserves equal to 10% of net profit for the year. Any remainder of said 10% appropriation after the legal reserve is fully covered (balance equal to 20% of the share capital), must be applied to the statutory reserve, which is unrestricted.

The Board of Directors proposes that an appropriation of €39,319,942.49 be made out of the profit for 2023 to the capitalisation reserve set aside in accordance with article 25 of the Spanish Corporate Income Tax Act (Law 27/2014 of 27 November). This amount is equal to 10% of the increase in equity of the companies forming part of the Acciona, S.A. tax group. The appropriation may be deducted from taxable income to a limit of 10% of the tax group's assessment basis for the year. Any remainder above this limit may be carried forward to the following two tax periods. As a condition of this tax benefit, the capitalisation reserve is restricted for a period of five years as of the dates of the successive appropriations made.

31. Environmental matters

In 2023 the Group allocated €245 million to the management of environmental impacts generated by its activities (prevention, reduction or correction of impacts). A total of €196 million were applied to costs and €49 million to investments. A breakdown of these amounts is as follows (millions of euros):

Category	2023	2022
Measures to mitigate environmental impacts	165	111
Environmental research, development and innovation	11	11
Personnel assigned to environmental activities	13	7
Investments in property, plant and equipment used to prevent environmental impacts and protect the environment	49	7
Environmental consultancy and advisory services	5	7
Other*	2	3
Total	245	146

(*) This line reflects other environmental expenses, including insurance and taxes, training, environmental management systems, and environmental communication and awareness-raising.

The Group had no material litigation or contingencies related with the protection or improvement of the environment that was not adequately provided for. The Directors of the Parent Company do not consider that any possible additional environmental contingencies which might arise would be material, insofar as no unprovided liabilities exist that are not covered by the civil liability policies arranged by the Group companies or that could have a material impact on these consolidated annual accounts.

32. 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.

Basic earnings per share for the years ended 31 December 2023 and 2022 were as follows:

	31/12/2023	31/12/2022
Net profit attributed to the Parent Company (euros)	540,988,029	440,755,671
Weighted average number of shares outstanding	54,723,941	54,684,851
Basic earnings per share (euros)	9.89	8.06

- 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 2023 and 2022 relates to employee incentive plans, which have no relevant effect on the calculation. Accordingly, earnings per share match diluted earnings per share.

33. Events after the reporting period

Acciona Financiación Filiales, S.A. obtained a Samurai loan, i.e. a loan obtained in the Japanese market and funded mainly by Japanese regional banks, of JPY 45,000 million (approximately €281 million) on 2 February 2024. Reflecting Acciona's strategy of diversifying its sources of finance, this was the first Samurai loan ever granted to a Spanish borrower and the first green Samurai loan granted to a European borrower.

34. Related-party transactions

The transactions carried out by the Company with its subsidiaries (related parties) as part of its normal business activities in terms of purpose and conditions were eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its associates are disclosed below.

Transactions with associates

Balances receivable from and payable to associates at 31 December 2023 and 2022 were as follows (euros):

Related-party transactions	2023	2022
Trade and other accounts receivable	46	65
Trade and other accounts payable	27	534
Loans granted	60	105
Loans received	3	3
Revenue	65	132
Expenses	43	337

Revenue comprises mainly billings issued by the Infrastructure division in asset construction projects.

Expenses and *Trade and other accounts payable* basically reflect transactions carried out by the Energy division with associates.

Loans granted comprise basically loans granted by Acciona Concesiones, S.A. and the CAER subgroup to finance the projects of associates.

The main changes compared to 2022 arose in *Expenses* and *Trade and other accounts payable* as a result of the switch to full consolidation of Nordex SE, which is therefore no longer considered an associate (see Note 2.2.h)). None of the transactions reflected under other headings (*Trade receivables, Revenue* and *Loans*) were individually significant to the Group as a whole.

Meanwhile, back-to-back transactions between construction companies and concession operators, meaning those in which the activity in question is carried out for the end customer and the concession company holds only a right to use the customer's infrastructure for a contractually defined period of time, are not treated as related-party transactions.

These transactions were carried out on the arm's length basis.

Transactions with shareholders, directors and executives, and other related parties

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").

Accordingly, 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 (the *Internal Procedure for Related-Party Transactions*) and provides for the delegation of Delegable Related-Party Transactions to the Internal Conduct Regulation Control Unit (ICRCU).

In accordance with the above-mentioned Procedure, any proposed related-party transactions must be reported by the related party with knowledge thereof to the finance department, which will in turn report such transactions to the ICRCU or to the Audit and Sustainability Committee, as appropriate.

The ICRCU is formed by the finance department, compliance department, legal department and the secretary to the Board. 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 were carried out between the Company and its subsidiaries with directors, shareholders or other related parties in 2023 or 2022, whether in terms of their amount or nature.

35. Remuneration and other benefits

A. Board of Directors

The remuneration in euros earned by the members of the Company's Board of Directors in 2023 was as described in this note, taking into consideration that the amounts mentioned refer both to the Parent and its subsidiaries.

In accordance with to article 31 of the Company's Bylaws, the Directors' remuneration will consist of a fixed annual allocation in respect of membership of the Board and of any Committees on which each Director may sit. The overall remuneration payable by the Company to the Directors in their capacity as such will be as determined in the Remuneration Policy approved by the Shareholders at their General Meeting.

Unless otherwise decided by the General Meeting or established in the Remuneration Policy, the Board of Directors is responsible, within this statutory framework, for determining the exact amount to be paid within the limits established and the distribution of such amount among the directors, subject to a prior report from the Appointments and Remuneration Committee, taking into consideration the functions and responsibilities of each director, membership of Board committees and other offices, and any other objective circumstances considered relevant.

Notwithstanding the provisions described in the preceding paragraph, remuneration paid for membership of the Board of Directors will be compatible with any other remuneration (e.g. fixed salary, variable amounts depending on the attainment of business, corporate and/or personal performance objectives, severance upon removal for reasons other than dereliction, pension schemes, and deferred remuneration items) that may be awarded to a director by the Board of Directors, subject to the Remuneration Policy proposed by the Appointments and Remuneration Committee for the discharge of other executive or senior management functions in the Company aside from the joint oversight and decision-making duties incumbent upon the members of the Board.

Subject to a prior resolution of the Shareholders at their General Meeting, executive directors may also receive remuneration in the form of share awards or stock options, or under any other share-based remuneration scheme.

In accordance with article 54 of the Board Regulation, the Board of Directors is responsible for establishing the system applicable to the distribution of the directors' remuneration within the framework of the Company's Bylaws.

The decision in this respect must be based on a report issued by the Appointments and Remuneration Committee.

The Board of Directors endeavours to ensure that the directors' remuneration is moderate and in line with the amounts paid in the market to directors of similar-sized companies engaging in comparable businesses, with preference for remuneration formats linking a significant portion of remuneration to the directors' dedication to Acciona.

The system for remuneration of independent directors is intended to serve as a sufficient incentive to foster dedication without compromising their independence.

The remuneration paid to proprietary directors for the discharge of their functions as such must be proportional to that of other directors and it may not entail any unfair remuneration of the shareholder appointing such directors. The remuneration system will establish similar remuneration for comparable functions and dedication.

As regards remuneration of executive directors, article 55 of the Board Regulation further requires the Board of Directors to ensure that the remuneration policies in force from time to time include appropriate technical safeguards to align variable remuneration with the beneficiaries' professional performance, and that it does not arise merely from general market trends, developments in the Company's business sector or other similar circumstances. The remuneration of directors will be transparent at all times.

The Directors Remuneration Policy for the three-year period 2023, 2024 and 2025 was approved by the Shareholders at their Annual General Meeting in 2022. The new remuneration policy was approved as a separate item on the agenda for the Annual General Meeting held on 23 June 2022, in accordance with article 529.xix of the Consolidated Text of the Spanish Corporate Enterprises Act and article 31 of Acciona's Bylaws, which establish the obligation to approve the directors' remuneration policy at least every three years as a separate item on the agenda.
The proposal for the new Remuneration Policy applicable to the three-year period 2023-2025 presented by the Board of Directors to the Annual General Meeting proved opportune given the legislative changes brought about by Spanish Law 5/2021 of 12 April amending the Spanish Corporate Enterprises Act and other financial legislation so as to effect the transposition into Spanish law of Directive (EU) 2017/828 of 17 May of the European Parliament and of the Council amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement in listed companies.

In particular, the First Transitional Provision of the aforesaid Law 5/2021 required companies to submit a remuneration policy aligned with the legislative changes enacted at the first annual general meeting after its entry into force.

All remuneration received by the directors must in any event comply with the Directors Remuneration Policy in force from time to time, except for remuneration expressly approved by the Shareholders at their General Meeting.

In accordance with article 31 of Acciona's Bylaws, the Remuneration Policy approved at the General Meeting establishes: a) that the maximum annual remuneration payable to all of the directors for the discharge of their duties will be €1,700,000; and b) that the remuneration will be distributed among the directors at the discretion of the Board, unless otherwise decided by the Shareholders at their General Meeting, having regard to the functions and responsibilities of each director, membership of Board committees, and any other objective circumstances that may be considered relevant.

At the proposal of the Appointments and Remuneration Committee, the Board of Directors resolved to establish the annual remuneration for membership of the Board of Directors and Board Committees subject to the following terms: a) executive directors will not receive remuneration for their membership of the Board of Directors, and therefore their remuneration will consist of their executive pay; b) if any executive committee is dissolved, the remuneration payable for membership of such committee will cease; c) the remuneration payable to non-executive directors for membership of the Board will be €100,000; d) remuneration of €70,000 will be payable for membership of the Audit and Sustainability Committee and €55,000 for membership of the Appointments and Remuneration Committee; e) additional remuneration of €30,000 will be paid to the holder of the position of Independent Coordinating Director; and f) the additional remuneration for chairing committees will be €18,000 for the Audit and Sustainability Committee and €11,000 for the Appointments and Remuneration Committee.

The total remuneration paid to the members of the Board of Directors for the discharge of their management duties in the Company in 2023 was €1.7 million (€1,7 million in 2022). This amount breaks down among the members of the Board of Directors as follows (thousands of euros):

	Fixed remuneration	Remuneration for membership of Board committees	Total 2023	Total 2022
José Manuel Entrecanales Domecq				
Juan Ignacio Entrecanales Franco				
Daniel Entrecanales Domecq	100	33	133	170
Javier Entrecanales Franco	100	26	126	155
(**) Karen Christiana Figueres Olsen	47	31	78	161
(***) Ana Sainz de Vicuña Bemberg				74
Jerónimo Marcos Gerard Rivero	100	100	200	186
(***) Juan Carlos Garay Ibargaray				94
Javier Sendagorta Gómez del Campillo	100	71	171	188
José Maria Pacheco Guardiola	100	63	163	155
María Dolores Dancausa Treviño	100	68	168	170
(*) María Salgado Madriñán	53	46	99	
Sonia Dulá	100	70	170	170
(*) Teresa Sanjurjo González	53		53	
Carlo Clavarino	100	55	155	81
Maite Arango García-Urtiaga	100	55	155	81
Total			1,671	1,685

(*) Directors appointed in 2023
(**) Directors who stepped down in 2023
(***) Directors who stepped down in 2022

The cash remuneration paid to Directors for the discharge of executive and senior management functions and for membership of the Board totalled €4,587,000 in 2023 and €6,415,000. The Directors also received remuneration in kind amounting to €115,000 in 2023 and €105,000 in 2022.

The independent Director Sonia Dulá also holds office as non-executive director and chairs the boards of directors of Bestinver, S.A. and Bestinver Gestión, S.A. SGIIC, to which positions she was appointed on 22 July 2019. She receives remuneration only for her position in Bestinver, S.A., and her earnings in this non-listed company amounted to €25,000 in 2023.

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.

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.
f) Vesting conditions. The Company will be the beneficiary of the Savings Plan in either of the following cases:
    a. If a member resigns or otherwise voluntarily steps down as an executive director of Acciona.
    b. If a member is removed from the office of executive director for any breach of their duties or any act or omission adversely affecting the Company, or if a member is convicted of an offence by the courts. In such cases, the member concerned will lose all vested financial claims under the Savings Plan and will therefore receive no benefits thereunder.

The contributions made to the Savings Plan on behalf of the Executive Directors in 2023 and 2022 amounted to €5.61 million and €3.76 million, respectively. The contributions made in 2023 were equal to 100% of fixed annual salary plus an additional amount in respect of extraordinary contributions to the Savings Plan forming part of the variable remuneration for 2022.

The cumulative value of the Executive Directors' savings schemes at 31 December 2023, including unvested financial claims of Executive Directors, was €39.65 million.

The Company has not contracted any pensions obligations with former or current members of the Board of Directors, and no advances, loans or guarantees have been granted to current Board members, except as mentioned in this Note.

The total remuneration paid to the members of Acciona's Board of Directors, including compensation for executive functions, was €6.40 million in 2023 and €8.30 million in 2022.

Four directors of Acciona, S.A. also held proprietary seats on the board of Corporación Acciona Energías Renovables, S.A. in 2022 (José Manuel Entrecanales Domecq, Juan Ignacio Entrecanales Franco, Sonia Dulá and María Salgado Madriñán).

The total remuneration paid to the proprietary directors Sonia Dulá and María Salgado Madriñán, both of whom were appointed at the proposal of Acciona, for their services as members of the board of Corporación Acciona Energías Renovables, S.A. in addition to ACCIONA's Executive Directors, was €170,000 in 2023 and €168,000 in 2022.

B. Senior Management

Senior Management includes employees holding senior management positions in the Acciona Group and the corporate internal audit director. This classification is made for information purposes only and should not under any circumstances be considered an interpretation or evaluation of the concept of senior management within the meaning of prevailing legislation, and in particular of Spanish Royal Decree 1382/1985.

The remuneration of persons holding Senior Management positions in 2023 and 2022, excluding members of the Board of Directors (whose remuneration is disclosed above), comprising amounts paid both by the Parent Company and by subsidiaries, was as follows:

Remuneration item	2023	2022
Senior management headcount	49	48
Remuneration (thousands of euros)	28,636	26,108

Civil liability insurance for directors and senior managers is contracted and premiums are paid by Acciona for the Group as a whole. The total in this respect was €2.20 million, of which €1.37 million relate to insurance premiums paid for the above-mentioned group of Directors and Senior Managers.

Persons holding Senior Management positions in Acciona Energía are not included here, as this information is provided in the notes to the 2023 annual accounts prepared by Corporación Acciona Energías Renovables, S.A. The remuneration paid in 2023 and 2022 includes severance and other settlements.

Finally, the remuneration paid to members of the Acciona Senior Management team simultaneously holding seats on the management board of Nordex SE amounted to €84,000 in 2023.

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 directed at the Executive Directors of Acciona, SA* or *2020 LTIP* are as follows:

(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 applied to 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.

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(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.
This measure 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 annual accounts of Acciona and its group certified by the auditors without qualification, and (ii) the remaining 20% in 2031, after preparation of the 2030 consolidated annual accounts 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 (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 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. 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.

This existence and terms of this Plan were reported to the Spanish National Securities Market Commission (CNMV) on 24 February 2022.

The main conditions of the 2022 Plan for the Award of Shares are as follows:

A) Purpose and Duration of the Plan

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 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 years, which may not extend beyond the duration of the 2022 Plan, and to set the relevant measurement intervals. The measurement interval applied for the purposes of the 2022 Plan may be considered to commence in the year prior to its approval.

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

B) 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 each Recipient's personal performance of their duties in the preceding year; the level of fulfilment of objectives associated with each Recipient's position; and the level of fulfilment of the Acciona Group's general objectives in the prior year. The results of this appraisal process will be reported to the Board of Directors for its consideration.

C) Recipients of the Plan

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.

D) Restrictions on Shares and Buy-Back Option

The recipients of shares awarded under the 2022 Plan 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 condition will differ in part in the case of multi-year share awards, since 50% of the shares concerned will be restricted for a period of one year after the award and the other 50% for two years after the award.

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Meanwhile, recipients acquiring shares under the terms of the 2022 Plan will be considered to grant Acciona a buy-back option on all of the shares awarded for a period of three years after the date of the award if a recipient's professional relations with Acciona and/or its Group are terminated within said period on grounds attributable to the same (see the malus scenarios described in the Plan Regulations). This condition will differ in part in the case of multi-year share awards, since 100% of the shares delivered will be subject to buy-back by Acciona in the first year after the date of the award and this option will also apply to 50% of the shares delivered in the second year after the date of the award, if the recipient's professional relations with Acciona and/or its Group are terminated within the two years following the date of the award on grounds attributable to the same.

The 2022 Plan does not provide for the possible sale of shares delivered in order to cover taxes incurred by the beneficiary as a result of awards. The cost of payments on account of personal income tax in respect of the 2022 Plan will not be passed on to the beneficiaries, and the Company will assume the tax cost of such payments on account in the personal income tax returns of the beneficiaries within the permitted limits.

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. Given that this plan accrues on a three-year basis, one third of the fair values mentioned above is reflected under *Personnel expenses* in the consolidated accompanying income statement for the year ended 31 December 2022. The other two thirds will be taken to income in 2024 and 2025.

Plan to substitute variable remuneration for shares

Given the limited number of beneficiaries of the former Plan, the Board of Directors approved a renewal of the *Plan to Substitute Variable Remuneration for Acciona Shares, directed 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 the renewed plan are as follows:

Objective: To retain and motivate the management team effectively and to improve the alignment of their interests with those of the Company and its Group.

Initial duration: Six years (from 2021-2026)

Purpose: Discretionally to offer certain executives of Acciona and its Group the option of substituting 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.

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

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 on grounds attributable to the Beneficiary before 31 March of the third year following the year of the award.

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.

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 Substitution Plan was launched in Australia in the first half of 2023. A total of 1,914 shares were awarded to employees of the Group under the Plan in Australia in 2023.

Shareholders Plan

The Board of Directors unanimously approved a new Shareholders Plan on the recommendation 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 award of shares in the Company. The Plan was designed in accordance with the current regulatory framework, which offers favourable tax treatment for plans 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, providing they joined any of the companies forming part of the Acciona Group before 31 December of the year prior to that in which the award is made. 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.

A total of 20,403 shares were awarded, which measured at the closing market price on 31 March 2023 and were transferred in the first fortnight of April.

The Board of Directors resolved on 23 February 2023 to extend the Shareholders Plan to all employees resident for tax purposes in Australia at the Proposal of the Appointments and Remuneration Committee. Participation in the Plan is voluntary.

The employee Shareholders Plan was launched in Australia in the second half of 2023. A total of 980 shares were awarded to Australian employees of the Group in 2023.

The Company determined the fair value of the goods and services received by reference to the fair value of the shares awarded.

The senior managers of the Group (Parent and subsidiaries) in 2023 were as follows:

Name	Position
Ada Tutor Cosín	Investment Analysis Director
Alberte González Patiño	Communications Director
Alberto Acosta García	Consolidation Manager
André Lima de Angelo	Country Manager for Brazil – Infrastructure
Andrés Pan de Soraluce Muguiro	CEO Real Estate
Arantza Ezpeleta Puras	Innovation Director
Bede Noonan	CEO Infrastructure, Australia and New Zealand
Carlos Anta Callersten	Director of Organisation, Talent and Health
Carlos Planelles Fernández	Country Manager for the United States and Canada - Infraestructure
Carlos Sotelo Rosell	CEO Mobility and Silence
David Gutiérrez Abarquero	Economic Control and Taxation Director
Diego Marín García	CEO Concessions
Diego Pini	Country Manager for Chile, Peru and - Infraestructure
Eva García San Juan	CFO – Real Estate
Fernando Fajardo Gerez	Director of Cost Control and Risks – Infrastructure
Gabriela Sebastián de Erice Schoenborn-Buchheim	External Relations Director, Chairman's Office
Huberto José Moreno Lorente	CEO Construction
Iranzu Presmanes Zararaín	Compliance Director
Isabel Gistau Retes	Brand Manager
Javier Serrada Quiza	Legal Director – Infrastructure
Jesús Sancho Carrascosa	Middle East Country Manager – Infrastructure
José Joaquín Mollinedo Chocano	Institutional Relations, Communication and Brand Director
Jorge Vega-Penichet López	General Counsel
José Ángel Tejero Santos	CFSO
José Díaz-Caneja Rodríguez	CEO Infrastructure
José Julio Figueroa Gómez de Salazar	Chief Legal Officer
José Luis Blasco Vázquez	Sustainability Director
José Luis Rodríguez Hernández	Investees Director
José Manuel Terceiro Mateos	Director of Economic Management
José María López-Galiacho González	CEO – ACCIONA Cultura
Juan Manuel Martínez Sánchez	Security Director
Juan Antonio Muro-Lara Girod	Strategy and Corporate Development Director
Justo Vicente Pelegrini	CEO – Construction, Spain and Portugal
Luis Castilla Cámara	CEO – Infrastructure
Macarena Carrión López de la Garma	Corporate Resources Director
María Cordón Úcar	Director of the CEO's Office and Chairman's Office, and M&A Director
María Pilar Alfranca Calvo	Healthcare Director
Mariano Jiménez García	Properties and Services Director
Maximiliano Antonio Ades Alsina	Facility Services Director
Miguel Ángel Heras Llorente	Country Manager for Poland – Infrastructure
Mónica Rodríguez Ramón	Assets and Business Development Director – Real Estate
Olga Corella Hurtado	CFO – Infrastructure
Pepa Chapa Alós	Investor Relations Director
Pilar Ramón Cortasa	Internal Communications Director
Raúl Beltrán Núñez	Internal Audit Director
Roberto Fernández López	Labour Relations Director
Roberto Cabrera Ferreira	Financing Director
Sergio Eliseo Ramírez Lomelín	Country Manager for Mexico and the Dominican Republic - Infraestructure
Vicente Santamaría-Paredes Castillo	Compliance Director

The senior managers of the Group (Parent and subsidiaries) in 2022 were as follows:

Name	Position
Ada Tutor Cosín	Investment Analysis Director
Alberte Enrique Gonzalez Patiño	Communications Director
Alberto Acosta García	Consolidation and Budget Control Manager
André Lima de Ángelo	Country Manager for Brazil – Infrastructure
Andrés Pan de Soraluce Muguiro	CEO Real Estate
Bede Noonan	CEO Infrastructure, Australia and New Zealand
Carlos Anta Callersten	Director of Organisation, Talent and Health
Carlos Planelles Fernández	US Country Manager – Infrastructure
Carlos Sotelo Rosell	CEO Mobility and Silence
David Gutiérrez Abarquero	Economic Control and Taxation Director
Diego Marín García	CEO Concessions
Diego Pini	Country Manager for Chile – Infrastructure
Eva Garcia San Juan	CFO – Real Estate
Fernando Fajardo Gerez	Director of Cost Control and Risks – Infrastructure
Gabriela Sebastián de Erice Schoenborn-Buchheim	External Relations Director, Chairman's Office
Huberto José Moreno Lorente	CEO Construction
Iranzu Presmanes Zataraín	Compliance Director
Isabel Gistau Retes	Brand Manager
Javier Serrada Quiza	Legal Director – Infrastructure
Jesús Sancho Carrascosa	Middle East Country Manager – Infrastructure
José Joaquín Mollinedo Chocano	Institutional Relations, Communication and Brand Director
José Ángel Tejero Santos	CFSO
José Díaz-Caneja Rodríguez	CEO Water
José Julio Figueroa Gómez de Salazar	Legal Director
José Luis Blasco Vázquez	Sustainability Director
José Luis Rodríguez Hernández	Investees Director
José Manuel Terceiro Mateos	Director of Economic Management
José María López-Galiacho González	CEO – ACCIONA Cultura
Jorge Vega-Penichet López	General Counsel
Juan Manuel Martínez Sánchez	Security Director
Juan Antonio Muro-Lara Girod	Strategy and Corporate Development Director
Justo Vicente Pelegrini	CEO – Construction, Spain, Portugal and North Africa
Luis Castilla Cámara	CEO Infrastructure
Macarena Carrión López de la Garma	Director of the Chairman's Office and Properties and Services Director
María Cordón Úcar	Director of Corporate Operations
María Pilar Alfranca Calvo	Health Director
Mariano Jiménez García	Properties and Services Director
Maximiliano Antonio Ades Alsina	Facility Services Director
Miguel Ángel Heras Llorente	Country Manager for Poland – Infrastructure
Mónica Rodríguez Ramón	Business Development and Transactions Structuring Director – Real Estate
Olga Corella Hurtado	CFO – Infrastructure
Pepa Chapa Alós	Investor Relations Director
Pilar Ramón Cortasa	Internal Communications Director
Raúl Beltrán Núñez	Internal Audit Director
Roberto Fernández López	Labour Relations and OHS Director
Roberto Cabrera Ferreira	Financing Director
Sergio Eliseo Ramírez Lomelin	Country Manager for Mexico – Infrastructure
Vicente Santamaría-Paredes Castillo	Compliance Director

C. Auditor

The fees for financial audit and other services provided by the Group's auditor, KPMG Auditores, S.L. in 2023 and 2022, or by firms forming part of the KPMG network, as well as fees for services provided by the auditors of the consolidated companies and firms related with such auditors by control, common ownership or management were as follows (thousands of euros):

	Services provided by the principal auditor		Services provided by other auditors	
	2023	2022	2023	2022
Audit services	6,008	5,357	2,792	494
Other assurance services	668	655	366	99
Total audit and related services	6,676	6,012	3,158	593
Tax advisory services	1,067	257	3,143	3,338
Other services	381	256	9,126	8,052
Total other professional services	1,448	513	12,269	11,390

The fees for audit and other assurance services provided by KMPG Auditores, S.L. for the examination of the Group's annual accounts were:

- *Audit services:* €2,493,000 in 2023 (€2,114,000 in 2022), and

- *Other assurance services:* services commonly provided by auditors in accordance with applicable legislation, including limited reviews of interim financial statements, comfort letters relating to securities, the report on Internal Control Systems over Financial Reporting, and the report on agreed upon procedures for the certification of financial ratios. Fees totalled €630,000 in 2023 (€505,000 euros in 2022).

Tax advisory services comprise mainly fees for advisory services related with the documentation of transfer prices, corporate income tax and direct and indirect taxation. Finally, *Other services* comprise mainly advisory services in the area of corporate social responsibility, preparation of independent expert reports and other similar services.

The fees charged by other audit firms retained to examine the annual accounts of certain companies in respect of *Other assurance services* amounted to €6,000 in 2023 and €13,000 in 2022. Fees for *Tax advisory services* totalled €170,000 in 2023 and €121,000 in 2022, and fees for *Other services* were €709,000 in 2023 and €75,000 in 2022.

36. Other disclosures concerning the Board of Directors

Pursuant to articles 229 and 529.xx of Royal Legislative Decree 1/2010, of 2 July, approving the Consolidated Text of the Spanish Corporate Enterprises Act, the Directors were not affected by any direct or indirect conflicts of interest with the Company at 31 December 2023, according to the available information and the declarations made by the Directors and their related parties.

APPENDIX I

GROUP COMPANIES

The subsidiaries of Acciona, S.A. considered to be Group companies were treated as such in accordance with IFRS. Fully consolidated companies at 31 December 2023 are as follows:

Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
13888215 Canada Inc.	--	Canada	Water	100.00%	Subgroup: Acciona Agua Internacional
Aberdeen Wind Facility 1, Pty. Ltd.	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
Abigroup Properties, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Abigroup
Abigroup, Ltd.	A	Australia	Construction	100.00%	Subgroup: Abigroup
Acciona & Sogex Facility Services, LLC.	AND	Oman	Services	70.00%	Subgroup: Acciona Facility Services
Acciona Administración Energía Dos, S.L.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Administración Energía Tres, S.L.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Administración Energía, S.L.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Aeropuertos, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Agua Adelaide, Pty. Ltd.	A	Australia	Water	100.00%	Subgroup: Acciona Agua Australia
Acciona Agua Australia, Pty. Ltd.	A	Australia	Water	100.00%	Subgroup: Acciona Agua Australia
Acciona Agua Brasil - Tratamento de Agua, Ltda.	--	Brazil	Water	100.00%	Subgroup: Acciona Agua
Acciona Agua Canada, Inc.	--	Canada	Water	100.00%	Subgroup: Acciona Agua
Acciona Agua Corporation	--	USA	Water	100.00%	Subgroup: Acciona Agua
Acciona Agua India, Pvt. Ltd.	AND	India	Water	100.00%	Subgroup: Acciona Agua
Acciona Agua Internacional Australia, Pty. Ltd.	C	Australia	Water	100.00%	Subgroup: Acciona Agua Internacional Australia
Acciona Agua Internacional, Inc.	--	Canada	Water	100.00%	Subgroup: Acciona Agua Internacional
Acciona Agua Internacional, S.L.	--	Madrid	Water	100.00%	Subgroup: Acciona Agua Internacional
Acciona Agua México, S.R.L. de C.V.	A	Mexico	Water	100.00%	Subgroup: Acciona Agua México
Acciona Agua Puerto Rico LLC	--	Puerto Rico	Water	100.00%	Subgroup: Acciona Agua
Acciona Agua Servicios, S.L.	A	Madrid	Water	100.00%	Subgroup: Acciona Agua Servicios
Acciona Agua, S.A.	A	Madrid	Water	100.00%	Subgroup: Acciona Agua
Acciona Airport Americas, SpA.	--	Chile	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Customer Services GmbH	--	Germany	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Acciona Airport Services Barcelona, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services Canarias, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services Chile, SpA.	--	Chile	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services Düsseldorf GmbH	--	Germany	Services	100.00%	Subgroup: Acciona Airport Services GmbH
Acciona Airport Services Este, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services GmbH	--	Germany	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services Madrid, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services República Dominicana, S.A.S.	--	Dominican Republic	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services Sur, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services, S.A.	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Airport Services, Sau Argentina	--	Argentina	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Biocombustibles, S.A.	--	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Acciona Biomasa, S.L.	--	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Acciona BSP Holdings, Inc.	--	Canada	Construction	100.00%	Subgroup: Acciona Concesiones
Acciona Carbon Technologies, S.L.	--	Madrid	Corporate finance	100.00%	Acciona
Acciona CEI Australia Finance, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Acciona CEI Australia

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Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Acciona CEI Australia Holdings, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Acciona CEI Australia
Acciona CEI Australia, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Acciona CEI Australia
Acciona Common Ventures, S.L.	--	Madrid	Energy	91.33%	Subgroup: Ceólica
Acciona Concesiones Australia, Pty. Ltd.	A	Australia	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Concesiones Chile, S.A.	--	Chile	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Concesiones de Infraestructuras, S.L.	--	Madrid	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Concesiones Mexico, S.R.L. de C.V.	--	Mexico	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Concesiones, S.L.	A	Madrid	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Concessions Management, Inc.	--	Canada	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Construcción Andina, S.A.S.	--	Colombia	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Construccion Australia, Pty. Ltd.	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Construccion Hispano Colombiana Sas	--	Colombia	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Construccion New Zealand, Ltd.	A	New Zealand	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Construcción Puerto Rico, LLC.	--	Puerto Rico	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Construcción, S.A.	A	Madrid	Construction	100.00%	Subgroup: Corporación Acciona Infraestructuras
Acciona Construction Holdings, Pty. Ltd.	--	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Construction Maroc, S.A.R.L.	--	Morocco	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Construction Philippines, Inc.	A	Philippines	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Construction USA Corp.	AND	USA	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Copiapó, S.A.	--	Chile	Water	100.00%	Subgroup: Acciona Agua
Acciona Corporación, S.A.	--	Madrid	Other	100.00%	Subgroup: Finanzas y Cartera 2
Acciona Cultural Engineering, S.A.	A	Madrid	Museum Interiors	100.00%	Acciona
Acciona Culture Corporation	--	USA	Museum Interiors	100.00%	Subgroup: Acciona Cultural Engineering, S.L.
Acciona Customer Services Düsseldorf GmbH	--	Germany	Services	100.00%	Subgroup: Acciona Airport Services Frankfurt, G
Acciona Desarrollo Corporativo Energía, S.L.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Desarrollo Corporativo, S.A.	--	Madrid	Other	100.00%	Subgroup: Finanzas y Cartera 2
Acciona Distributed Generation Chile Spa	--	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Distributed Generation, S.L. (formerly denominada Biodiesel Sagunt, S.L.)	--	Madrid	Energy	83.27%	Subgroup: Acciona Distributed Generation, S.L.
Acciona Do Brasil, Ltda.	--	Brazil	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Energía Atlanta I, S.L.	--	Madrid	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energía Atlanta II, S.L.	--	Madrid	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energía Atlanta III, S.L.	--	Madrid	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energía Brasil Ltda.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Carbon Technologies, S.L.U.	--	Navarre	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energia Chile Holdings, S.A.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Chile, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Colombia, S.A.S.	--	Colombia	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Costa Rica, S.A.	--	Costa Rica	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Dominicana, S.R.L.	--	Dominican Republic	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Financiación Filiales Australia, Pty. Ltd.	A	Australia	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Energía Financiación Filiales, S.A.	A	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Energía Global Egypt, LLC.	A	Egypt	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Global Italia, S.R.L.	A	Italy	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energía Global, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Acciona Energía Internacional, S.A.	A	Madrid	Energy	62.45%	Subgroup: Acciona Energía
Acciona Energía México, S.R.L.	A	Mexico	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energía Perú, S.A.C.	--	Peru	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energia Re.	--	Spain	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables

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Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Acciona Energía Servicios México, S. de R.L. de C.V.	A	Mexico	Energy	83.27%	Subgroup: Acciona Energía México Global
Acciona Energija D.O.O. (Eur)	--	Croatia	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energija Global Croatia D.O.O.	--	Croatia	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energy North America Corp.	--	USA	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energy Australia Global, Pty. Ltd.	A	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energy Canada Global Corp.	--	Canada	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energy India, Pvt. Ltd.	C	India	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energy Oceanía Construction, Pty. Ltd	--	Australia	Energy	83.27%	Subgroup: Acciona Energía Global Australia
Acciona Energy Oceanía Financial Services PLY, Ltd.	A	Australia	Energy	83.27%	Subgroup: Acciona Energía Global Australia
Acciona Energy Oceanía PLY, Ltd.	A	Australia	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energy Poland Global, Sp. Z.O.O.	A	Poland	Energy	83.27%	Subgroup: Acciona Energía Global Polonia
Acciona Energy Poland, Sp. Z.O.O.	A	Polonia	Energía	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energy Poland Maintenance Services, Sp. Z.O.O.	A	Poland	Energy	83.27%	Subgroup: Acciona Energía Global Polonia
Acciona Energy Singapore, Pvt. Ltd.	A	Singapore	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energy South Africa Global, Pty. Ltd.	A	South Africa	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Energy South Africa O&M (Proprietary) Limited	A	South Africa	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Energy South Africa O&M (Pty) Ltd	C	South Africa	Energy	66.61%	Subgroup: Acciona Energy South Africa Global
Acciona Energy USA Global, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Acciona Engineering & Design Australia Pty Ltd	A	Australia	Engineering	100.00%	Subgroup: Acciona Ingeniería
Acciona Engineering North America Inc.	--	Canada	Engineering	100.00%	Subgroup: Acciona Ingeniería
Acciona Engineering Qatar	AND	Qatar	Engineering	100.00%	Subgroup: Acciona Ingeniería
Acciona Eólica Calabria, S.R.L.	--	Italy	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Eólica Cesa Italia, S.R.L.	A	Italy	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Eólica de Castilla La Mancha, S.L.	A	Madrid	Energy	83.27%	Subgroup: Alabe
Acciona Eólica de Galicia, S.A.	A	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Eólica Levante, S.L.	A	Madrid	Energy	83.27%	Subgroup: Alabe
Acciona Eólica Portugal, Unipersonal Lda.	A	Portugal	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Eólica Santa Cruz, S. de R.L. de C.V.	A	Mexico	Energy	83.27%	Subgroup: Acciona Energía México Global
Acciona Esco Belgium Srl	--	Belgium	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Acciona Esco France, S.A.S.U.	--	France	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Acciona Esco, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Acciona Facility Services Canada, Ltd.	--	Canada	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Facility Services For Maintenance And Cleaning	AND	Saudi Arabia	Services	91.00%	Subgroup: Acciona Facility Services
Acciona Facility Services Germany GmbH	--	Germany	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Acciona Facility Services Middle East, LLC.	A	Qatar	Services	97.00%	Subgroup: Acciona Facility Services
Acciona Facility Services Poland, Sp. Z.O.O.	--	Poland	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Acciona Facility Services Portugal, S.A.	AND	Portugal	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Facility Services Sur, S.A.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Facility Services Usa Llc	--	USA	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Facility Services, S.A.	A	Barcelona	Services	100.00%	Subgroup: Acciona Facility Services
Acciona FCP Holdings, Inc.	B	Canada	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Financiación de Filiales Chile, SpA	--	Chile	Corporate finance	100.00%	Acciona
Acciona Financiacion Filiales Australia, Pty. Ltd.	--	Australia	Corporate finance	100.00%	Acciona

Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Acciona Financiación Filiales, S.A.	A	Madrid	Corporate finance	100.00%	Acciona
Acciona Forwarding Argentina, S.A.	--	Argentina	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Forwarding Canarias, S.L.	--	Canary Islands	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Forwarding Chile, S.A.	--	Chile	Services	57.50%	Subgroup: Acciona Forwarding
Acciona Forwarding Colombia, S.A.	--	Colombia	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Forwarding do Brasil Logística e Transporte Multimodal, S.A.	--	Brazil	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Forwarding Mexico, S.R.L. de C.V.	--	Mexico	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Forwarding Perú, S.A.	--	Peru	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Forwarding, S.A.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Generación Renovable, S.A.	A	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Acciona Geotech Holding, Pty. Ltd.	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Global Energy Ukraine	A	Ukraine	Energy	83.27%	Subgroup: Dymerka Solar Poland
Acciona Global Renewables, S.A.	--	Madrid	Energy	45.00%	Subgroup: Acciona Energía
Acciona Green Energy Developments, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Acciona Green Energy Portugal, Lda	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía
Acciona Ground Services, S.L	--	Madrid	Services	100.00%	Subgroup: Acciona Aeropuertos
Acciona Health Care Services, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona HSR Services, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Industrial Australia, Pty. Ltd.	A	Australia	Industrial	100.00%	Subgroup: Acciona Industrial
Acciona Industrial Brasil, Ltda.	--	Brazil	Industrial	100.00%	Subgroup: Acciona Industrial
Acciona Industrial Kenia, Pty. Ltd.	--	Kenya	Industrial	100.00%	Subgroup: Acciona Industrial
Acciona Industrial NL B.V.	--	Netherlands	Industrial	100.00%	Subgroup: Acciona Industrial
Acciona Industrial UK, Ltd.	AND	UK	Industrial	100.00%	Subgroup: Acciona Industrial
Acciona Industrial, S.A.	A	Madrid	Industrial	100.00%	Subgroup: Acciona Industrial
Acciona Infra Ventures, S.A.	--	Madrid	Construction	100.00%	Acciona
Acciona Infraestructuras Gabón, S.A.	--	Gabon	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Infraestructuras México, S.A. de C.V.	A	Mexico	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Infraestructuras Residenciales México S.A.	A	Mexico	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Infraestructuras-Elecnor, Hospital David	AND	Panama	Construction	75.00%	Subgroup: Acciona Construcción
Acciona Infrastructure Asia Pacific, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Acciona Infraestructuras Asia Pacífico
Acciona Infrastructure Australia Finance, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Acciona Infraestructuras Australia
Acciona Infrastructure Canada, Inc.	B	Canada	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Infrastructure New Zealand, Ltd.	A	New Zealand	Construction	100.00%	Subgroup: Acciona Infraestructuras Australia
Acciona Infrastructure Projects Australia, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Abigroup
Acciona Infrastructures Australia, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Acciona Infraestructuras Australia
Acciona Ingeniería Colombia, S.A.S.	--	Colombia	Engineering	100.00%	Subgroup: Acciona Ingeniería
Acciona Ingeniería Cultural, S.L.	A	Madrid	Museum Interiors	100.00%	Subgroup: Acciona Cultural Engineering, S.A.
Acciona Ingeniería Industrial, S.A. de C.V.	A	Mexico	Engineering	100.00%	Subgroup: Acciona Ingeniería
ACCIONA INMOBILIARIA, S.L.	A	Madrid	Real Estate	100.00%	Acciona
Acciona Instalaciones México, S.A. de C.V.	--	Mexico	Construction	100.00%	Subgroup: Acciona Industrial
Acciona Logística De Transporte Spa	--	Chile	Services	100.00%	Subgroup: Acciona Forwarding
Acciona Logística, S.A.	A	Madrid	Corporate finance	100.00%	Acciona
Acciona M&E Pty Ltd	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Mantenimiento de Infraestructuras, S.A.	A	Madrid	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Medioambiente, S.A.	A	Madrid	Other infrastructure activities	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Mobility France, S.A.S.U.	--	France	Motosharing	100.00%	Subgroup: Acciona Mobility

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ACCIONA MOBILITY GLOBAL, S.L.	--	Madrid	Motosharing	100.00%	Acciona
Acciona Mobility Italia, S.R.L.	--	Italy	Motosharing	100.00%	Subgroup: Acciona Mobility
Acciona Mobility Portugal, Unipessoal Lda.	--	Portugal	Motosharing	100.00%	Subgroup: Acciona Mobility
Acciona Mobility, S.A.	A	Madrid	Motosharing	100.00%	Subgroup: Acciona Mobility
Acciona Nieruchomosci Wilanow, Sp. Z.O.O.	--	Poland	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Acciona Nieruchomosci Zoliborz, Sp. Z.O.O.	A	Poland	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Acciona Nieruchomosci, Sp. Z.O.O.	--	Poland	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Acciona Operación y Mantenimiento, S.R.L de C.V.	--	Mexico	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Patache S.A.	--	Chile	Water	100.00%	Subgroup: Acciona Agua
Acciona Personnel Services GmbH	--	Germany	Services	100.00%	Subgroup: Acciona Airport Services GmbH
Acciona Plant & Equipment Pty Ltd	--	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Plant & Equipment Pty	--	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Portugal II - Energía Global, Lda.	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Power Marketing USA, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Acciona Producciones y Diseño, S.A. Saudi Arabia	--	Saudi Arabia	Museum Interiors	100.00%	Subgroup: Acciona Cultural Engineering, S.A.
Acciona Project Management Mexico, S.A. de C.V	--	Mexico	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Proyectos Renovables Para Hidrógeno, S.L.	--	Spain	Energy	83.27%	Subgroup: Ehn
Acciona Rail Pty Ltd	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Acciona Rail Services, S.A.	--	Madrid	Construction	100.00%	Subgroup: Acciona Construcción
Acciona Real Estate, S.A.U.	A	Madrid	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Acciona Recarga, S.L.	A	Madrid	Energy	77.91%	Subgroup: Cargacoches, S.L.
Acciona Redes y Mantenimientos Especializados, S.L	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Renewable Energy Canada GP Holdings, Inc.	--	Canada	Energy	83.27%	Subgroup: Acciona Energía Global USA
Acciona Renewable Energy Canada Holdings, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Acciona Saltos de Agua, S.L.U.	A	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Acciona Saudi Arabia For Contracting, LLC	A	Saudi Arabia	Construction	100.00%	Subgroup: Acciona Industrial
Acciona Serv. Hospitalarios, S.L.	--	Madrid	Concessions	100.00%	Subgroup: Acciona Servicios Hospitalarios
Acciona Service, S.L.	--	Madrid	Services	100.00%	Subgroup: Corporación Acciona Infraestructuras
Acciona Servicios Administrativos, S.A. de C.V.	--	Mexico	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Servicios Energéticos, S.L.R. de C.V.	--	Mexico	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Acciona Servicios Ferroviarios, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Servicios Urbanos Medio Ambiente México, S.A. de C.V.	A	Mexico	Services	100.00%	Subgroup: Acciona Facility Services
Acciona Servicios Urbanos, S.L.	A	Madrid	Other infrastructure activities	100.00%	Subgroup: Acciona Construcción
Acciona Sistemas de Seguridad, S.A.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Smart City Services, S.L.	--	Madrid	Other infrastructure activities	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Acciona Solar Energy, LLC.	--	USA	Energy	62.45%	Subgroup: Acciona Energía North America
Acciona Solar Holdings, Pty. Ltd.	--	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Solar Power, Inc.	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Acciona Solar, Pty. Ltd.	--	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Acciona Solar, S.A.	--	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Acciona Suministradora México, S.R.L. de C.V.	A	Mexico	Energy	83.27%	Subgroup: Acciona Energía
Acciona Tecnologia y Servicios, S.L.	A	Madrid	Corporate finance	100.00%	Acciona

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Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Acciona Waste Water Solutions LP.	--	Canada	Water	100.00%	Subgroup: Acciona Agua Internacional
Acciona Wastewater Solutions GP, Inc.	--	Canada	Water	100.00%	Subgroup: Acciona Agua Internacional
Acciona Wep Holdings Inc.	--	Canada	Concessions	100.00%	Subgroup: Acciona Concesiones
Acciona Wind Energy Canada, Inc.	--	Canada	Energy	62.45%	Subgroup: Acciona Energía Internacional
Acciona Wind Energy USA, LLC.	--	USA	Energy	62.45%	Subgroup: Acciona Energía North America
Acciona Wind Energy, Pvt. Ltd.	C	India	Energy	62.45%	Subgroup: Acciona Energía Internacional
AE Mex. Global, S. de R.L. de C.V.	A	Mexico	Energy	83.27%	Subgroup: Acciona Energía Global
Aegc Forty Mile Wind Lp	A	Canada	Energy	83.27%	Subgroup: Acciona Energy Canada Global
Aepo Gabón, S.A.	--	Gabon	Engineering	100.00%	Subgroup: Acciona Ingeniería
Aepo Polska, Sp. Z.O.O.	--	Poland	Engineering	100.00%	Subgroup: Acciona Ingeniería
Aeug Fleming Solar , LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Aeug Madison Solar, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Aeug Real Estate, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Aeug Solar Development LLC	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Aeug Solar Holdco LLC	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Aeug Union Solar, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
AFS Efficient Energy UK, Ltd.	--	UK	Energy	83.27%	Subgroup: Acciona Esco, S.L.
AFS Empleo Social Barcelona, S.L.	--	Barcelona	Services	100.00%	Subgroup: Acciona Facility Services
AFS Empleo Social, S.L.	--	Madrid	Services	100.00%	Subgroup: Acciona Facility Services
AIM Roads Inc.	--	Canada	Construction	100.00%	Subgroup: Acciona Construcción
Airport Maintenance Services, SpA.	--	Chile	Services	100.00%	Subgroup: Acciona Aeropuertos
Álabe Proyectos Eólicos, S.A.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Alderaan Energia, S.L.	--	Spain	Energy	64.14%	Subgroup: Solhol
Aldoga Solar Farm Holdings Pty Ltd	--	Australia	Energy	83.27%	Subgroup: Acciona Energy Australia Global
Aldoga Solar Farm Pty Ltd	--	Australia	Energy	83.27%	Subgroup: Acciona Energy Australia Global
Ale Construction, Ltd.	--	Canada	Construction	100.00%	Subgroup: Acciona Construcción
Alfa Spa	--	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Almeyda, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Alsubh Solar Energy Holding S.A.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía Global
Amper Central Solar, S.A.	A	Portugal	Energy	62.45%	Subgroup: Acciona Energía Internacional
Anchor Wind, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Andes Airport Services, S.A.	--	Chile	Services	100.00%	Subgroup: Acciona Aeropuertos
Andratx Obres I Sanetjament, S.L.	--	Mallorca	Water	100.00%	Subgroup: Acciona Agua
APODERADA CORPORATIVA GENERAL, S.A.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
APODERADA GENERAL DE SERVICE, S.A.	--	Madrid	Other	100.00%	Acciona
Arcyz, SpA.	A	Ukraine	Energy	78.57%	Subgroup: Dymerka Solar Poland
Ardenna, Spa	--	Chile	Energy	66.61%	Subgroup: Acciona Energía Global
Arsogaz 2005, S.L.	--	Madrid	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
ATLL Concesionaria de La Generalitat de Catalunya, S.A.	A	Barcelona	Water	100.00%	Subgroup: Acciona Agua
Australian Precast Solutions, Pty. Ltd.	A	Australia	Construction	100.00%	Subgroup: Abigroup
Bahia Eólica I Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica II Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica III Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica IV Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global

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Bahia Eólica IX Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica V Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica Vi Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica VII Energias, S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Bahia Eólica VIII Energias S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Baltyk Energia, Sp. Z.O.O.	--	Poland	Energy	83.27%	Subgroup: Acciona Energía Global Polonia
Bestinver Activos Inmobiliarios, S.L.	--	Spain	Fund management	96.83%	Subgroup: Bestinver
Bestinver Gestion S.G.I.I.C., S.A.	A	Madrid	Fund management	96.83%	Subgroup: Bestinver
Bestinver Pensiones G.F.P., S.A.	A	Madrid	Fund management	96.83%	Subgroup: Bestinver
BESTINVER SOCIEDAD DE VALORES, S.A.	A	Madrid	Fund management	96.83%	Subgroup: Bestinver
BESTINVER, S.A.	A	Madrid	Fund management	96.83%	Acciona
Biodiesel Caparroso, S.L.	--	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Biomasa Briviesca, S.A.	A	Burgos	Energy	70.78%	Subgroup: Biomasa Nacional
Biomasa Miajadas, S.L.	A	Madrid	Energy	83.27%	Subgroup: Biomasa Nacional
Biomasa Sangüesa, S.L.	--	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Blue Falcon 140 Trading, Pty. Ltd.	A	South Africa	Energy	34.29%	Subgroup: Acciona Energy South Africa Global
Bt Cunningham Storage LLC	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Cargacoches Cantabria, S.L.U.	--	SANTANDER	Energy	77.91%	Subgroup: Cargacoches, S.L.
Ce Oaxaca Cuatro, S. de R.L. de C.V.	A	Mexico	Energy	62.45%	Subgroup: Acciona Energía México
Ce Oaxaca Dos, S. de R.L. de C.V.	A	Mexico	Energy	62.45%	Subgroup: Acciona Energía México
Ce Oaxaca Tres, S. de R.L. de C.V.	A	Mexico	Energy	62.45%	Subgroup: Acciona Energía México
Ceólica Hispania, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Eólica Cesa
Cesa Eolo Sicilia, S.R.L.	A	Italy	Energy	62.45%	Subgroup: Cesa Italia
Charge and Parking, S.L.U.	--	Valencia	Energy	77.91%	Subgroup: Cargacoches, S.L.
Cia. de Agua del Municipio de Boca de Río, S.A.P.I. de C.V.	A	Mexico	Water	70.00%	Subgroup: Agua Boca de Río
Cirtover, S.L.	--	Madrid	Corporate finance	100.00%	Acciona
Civerzba Itg, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía Global
Compañía Anónima de Puertos, estructuras y vías (CAPEV)	AND	Venezuela	Construction	100.00%	Subgroup: Acciona Construcción
Compañia de Aguas Paguera, S.L.	--	Mallorca	Water	100.00%	Subgroup: Acciona Agua Servicios
Compañía Eólica Granadina, S.L.	A	Madrid	Energy	41.63%	Subgroup: Ceólica
Compañia Internacional de Construcciones, S.L.	--	Madrid	Corporate finance	100.00%	Acciona
Concesionaria Transmisora Ica-Poroma S.A.C.	A	Peru	Concessions	100.00%	Subgroup: Acciona Concesiones
Concesionaria Transmisora Reque Tumbes S.A.C.	A	Peru	Concessions	100.00%	Subgroup: Acciona Concesiones
Concesiones Chile Holdings I, SpA.	--	Chile	Concessions	100.00%	Subgroup: Acciona Concesiones
Concesiones Chile Holdings II, SpA.	--	Chile	Concessions	100.00%	Subgroup: Acciona Concesiones
Concesiones Chile Holdings III, SpA.	--	Chile	Concessions	100.00%	Subgroup: Acciona Concesiones
Concesiones Chile Holdings IV, SpA.	--	Chile	Concessions	100.00%	Subgroup: Acciona Concesiones
Concesiones Chile Holdings V, SpA.	--	Chile	Concessions	100.00%	Subgroup: Acciona Concesiones
Concessions Fargo Holdco, LLC.	--	USA	Concessions	100.00%	Subgroup: Acciona Concesiones
Consorcio Acciona Ossa Andina S.A.	--	Chile	Construction	65.00%	Subgroup: Acciona Construcción
Consorcio Constructor Araucaria, Ltda.	--	Chile	Construction	60.00%	Subgroup: Acciona Construcción
Consorcio Eólico Chiripa, S.A.	A	Costa Rica	Energy	54.12%	Subgroup: Acciona Energía
Construcciones Residenciales Mexico, C.B.	--	Mexico	Construction	100.00%	Subgroup: Acciona Construcción
Constructora Acciona Chile, S.A.	A	Chile	Construction	100.00%	Subgroup: Acciona Concesiones Chile
Constructora El Paso, SpA.	--	Chile	Construction	100.00%	Subgroup: Acciona Construcción
Constructora La Farfana, SpA.	--	Chile	Construction	100.00%	Subgroup: Acciona Construcción
Corporación Acciona Energías Renovables, S.A.	A	Madrid	Energy	83.27%	Acciona

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Corporación Acciona Eólica, S.A.	A	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Corporación Acciona Hidráulica, S.A.	A	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Corporación Acciona Infraestructuras, S.L.	A	Madrid	Construction	100.00%	Acciona
Corporación de Explotaciones y Servicios, S.A.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Corporación Eólica de Valdivia, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Corporativo Horacio 1750, S.A. de C.V.	A	Mexico	Real Estate	100.00%	Subgroup: Parque Reforma
Cotoperí Solar Fv, S.R.L.	--	Dominican Republic	Energy	42.47%	Subgroup: Acciona Energía Global
Csf Almodovar, Unipessoal Lda.	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global Portugal II
Demsey Ridge Wind Farm, LLC.	A	USA	Energy	62.45%	Subgroup: Acciona Wind Energy USA
Depurar 7B, S.A.	A	Zaragoza	Water	100.00%	Subgroup: Acciona Agua
Depurar 8B, S.A.	--	Zaragoza	Water	100.00%	Subgroup: Acciona Agua
Desarrolladora de Infraestructura Hispano-Peninsular, S.A. de C.V.	--	Mexico	Construction	100.00%	Subgroup: Acciona Construcción
Desarrolladora de Infraestructuras Hispano-Mexicanas, S.A. de C.V.	--	Mexico	Construction	100.00%	Subgroup: Acciona Construcción
Desarrollos Renovables del Norte, S.L.	--	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Desarrollos Renovables Eólicos Y Solares, S.L.	--	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Desarrollos y Construcciones, S.A. de C.V.		Mexico	Construction	100.00%	Subgroup: Acciona Construcción
DREN, S.A.	--	Madrid	Other	100.00%	Acciona
Dymerka Photovoltaic Power Plant-2 LLC	--	Poland	Energy	83.27%	Subgroup: Dymerka Solar Poland
Dymersa Photovoltaic Power Plant-3 LLC	A	Ukraine	Energy	83.27%	Subgroup: Dymerka Solar Poland
Dymerska Photovoltaic Power Plant-2, LLC.	A	Ukraine	Energy	83.27%	Subgroup: Dymerka Solar Poland
Dymerska Photovoltaic Power Plant-3, LLC.	A	Ukraine	Energy	83.27%	Subgroup: Dymerka Solar Poland
E.S. Legarda, S.L.	--	Navarre	Energy	83.27%	Subgroup: Biocombustibles
Ecogrove, LLC.	A	USA	Energy	62.45%	Subgroup: Acciona Wind Energy USA
Efrato Itg, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía Global
Efw Ness, Ltd.	AND	UK	Construction	100.00%	Subgroup: Acciona Industrial
El Romero, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Empordavent S.L.U.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Empreendimientos Eólicos do Verde Horizonte, S.A.	A	Portugal	Energy	62.45%	Subgroup: Acciona Eólica Portugal
Empreendimientos Eólicos Ribadelide, S.A.	A	Portugal	Energy	62.45%	Subgroup: Acciona Eólica Portugal
Energea Servicios y Mantenimiento, S.L.	A	Madrid	Energy	83.27%	Subgroup: Terranova Energy Corporation
Energia de Vila Pouca, Unipessoal Lda.	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global Portugal II
Energia do Alqueva, Unipessoal Lda.	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global Portugal II
Energia Renovable del Istmo II, S.A. de C.V.	A	Mexico	Energy	83.27%	Subgroup: Acciona Energía México Global
Energía Renovable del Sur, S.A.	--	Peru	Energy	83.27%	Subgroup: Acciona Energía Global
Energías Alternativas de Teruel, S.A.	--	Zaragoza	Energy	83.27%	Subgroup: Acciona Energía
Energías Eólicas de Catalunya, S.A.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Energías Renovables de Ricobayo, S.A.	--	Madrid	Energy	41.63%	Subgroup: Ceólica
Energías Renovables El Abra, S.L.	--	Vizcaya	Energy	83.27%	Subgroup: Ceólica
Energías Renovables Mediterráneas, S.A.	C	Valencia	Energy	62.45%	Subgroup: Acciona Energía
Energías Renovables Operación y Mantenimiento, S.L.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Energías Renovables Peña Nebina, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Enren, S.R.L.	--	Dominican Republic	Energy	83.27%	Subgroup: Acciona Energía Global
Eólica de Rubió, S.A.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Eólica de Zorraquín, S.L.	A	Madrid	Energy	54.96%	Subgroup: Acciona Energía
Eólica Villanueva, S.L.	A	Navarre	Energy	55.51%	Subgroup: Acciona Energía
Eólico Alijar, S.A.	--	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Eólicos Breogan, S.L.	--	Madrid	Energy	83.27%	Subgroup: Ceólica

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Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Eqinov, S.A.S.	AND	France	Energy	83.27%	Subgroup: Acciona Esco, S.L.
Estudios y Construcciones de Obras, S.A. de C.V.	--	Mexico	Construction	50.00%	Subgroup: Acciona Construcción
Eurus, S.A.P.I. de C.V.	A	Mexico	Energy	58.70%	Subgroup: Acciona Energía México
Fe Berg River Proprietary Limited	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
Fe Bonne Esperance Proprietary Limited	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
Ferral Energia Real, Unipessoal Lda.	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global Portugal II
Finanzas Dos, S.A.	--	Madrid	Other	100.00%	Acciona
Finanzas y Cartera Dos, S.A.	--	Madrid	Other	100.00%	Acciona
Finanzas y Cartera Uno, S.A.	--	Madrid	Other	100.00%	Acciona
First Lusitanian Re Project 2018, SGPS, Lda.	AND	Portugal	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Flughafendienst AV GmbH	--	Germany	Services	100.00%	Subgroup: Acciona Aeropuertos
Fort Bend Holding Llc	--	USA	Energy	83.27%	Subgroup: Acciona Energy Usa Global
Fort Bend Solar, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Fort Point Finance Llc	--	USA	Energy	83.27%	Subgroup: Acciona Energy Usa Global
Frigoriferi Di Tavazzano, S.P.A.	--	Italy	Other	100.00%	Subgroup: Acciona Logística
Generación de Energia Renovable, S.A.	--	Alava	Energy	83.27%	Subgroup: Ceólica
Geotech Holdco, Pty. Ltd.	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Geotech, Pty. Ltd.	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
Gestión de Recursos Corporativos, S.L.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Gestión de Servicios Urbanos Baleares, S.A.	--	Mallorca	Water	100.00%	Subgroup: Acciona Agua Servicios
Gestora De Runas De Vilanova Del Vallés, S.L.	A	Spain	Other infrastructure activities	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Golice Wind Farm, Sp. Z.O.O.	A	Poland	Energy	62.45%	Subgroup: Acciona Energía Polonia
Grupo Ambiental Proveracruz, S.A.P.I. de C.V.	A	Mexico	Water	100.00%	Subgroup: Acciona Agua México
Grupo Metropolitano de Agua y Saneamiento, S.A.P.I. de C.V.	A	Mexico	Water	100.00%	Subgroup: Acciona Agua México
Nordex Group	B	Germany	Wind turbine manufacturin g	47.08%	Acciona
Guadalaviar Consorcio Eólico, S.A.U.	--	Madrid	Energy	83.27%	Subgroup: Alabe
Guadamad 1 Development, Unipessoal Lda.	--	Portugal	Real Estate	100.00%	Subgroup: First Lusitanian
Guadamad 2 Development, Unipessoal Lda.	--	Portugal	Real Estate	100.00%	Subgroup: First Lusitanian
Gunning Wind Energy Developments, Pty. Ltd.	A	Australia	Energy	62.45%	Subgroup: Gunning Wind Energy
Gunning Wind Energy Holdings, Pty. Ltd.	--	Australia	Energy	62.45%	Subgroup: Acciona Energía Oceanía
Hidroeléctrica del Serradó, S.L.	--	Madrid	Energy	83.27%	Subgroup: Acciona Saltos de Agua
High Point Holding Llc	--	USA	Energy	83.27%	Subgroup: Acciona Energy Usa Global
High Point Solar, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Hospital de León Bajio, S.A. de C.V.	--	Mexico	Concessions	100.00%	Acciona
Hudzovka Solar 1, LLC.	A	Ukraine	Energy	76.73%	Subgroup: Dymerka Solar Poland
Hudzovka Solar 2, LLC.	A	Ukraine	Energy	73.78%	Subgroup: Dymerka Solar Poland
Iberinsa Do Brasil Engenharia, Ltda.	--	Brazil	Engineering	100.00%	Subgroup: Acciona Ingeniería
Inetime, S.A.	--	Madrid	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Ineuropa Proyectos Renovables, S.A.	--	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Infraestructuras Ayora, S.L.	--	Madrid	Energy	70.54%	Subgroup: Guadalaviar
Ingenieria Especializada Obra Civil e Industrial, S.A	A	Madrid	Engineering	100.00%	Subgroup: Acciona Ingeniería
Inmobiliaria Parque Reforma, S.A. de C.V.	A	Mexico	Real Estate	100.00%	Subgroup: Parque Reforma
Interurbano de Prensa, S.A.	--	Barcelona	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente

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Irrigation Solar Farm, S.L.U.	--	Madrid	Energy	83.27%	Subgroup: Acciona Distributed Generation, S.L.
Kallfu, Spa	--	Chile	Energy	66.61%	Subgroup: Acciona Energía Global
Kirov Itg, S.L.	--	Madrid	Energy	83.27%	Subgroup: Desarrollos Renovables Eólicos y Solares, S.L.
Kuruf, Spa	--	Chile	Energy	66.61%	Subgroup: Acciona Energía Global
Kw Tarifa, S.A.	A	Madrid	Energy	83.27%	Subgroup: Corporación Acciona Energías Renovables
Kwinana Wte Holding Pty Ltd	A	Australia	Construction	80.00%	Subgroup: Acciona Geotech
La Chalupa Finance, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Concesiones
La Chalupa Holding, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Concesiones
La Chalupa, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energy Usa Global
La Favorita Real Estate, Unipessoal Lda.	--	Portugal	Real Estate	100.00%	Subgroup: First Lusitanian
Lafquen, Spa	--	Chile	Energy	66.61%	Subgroup: Acciona Energía Global
Lameque Wind Power LP.	A	Canada	Energy	62.45%	Subgroup: Acciona Wind Energy Canada
Langhoogte Wind Farm (Pty) Ltd	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
Lile, Spa	--	Chile	Energy	66.61%	Subgroup: Acciona Energía Global
Linha Universidade Investimentos, S.A.	A	Brazil	Concessions	80.00%	Subgroup: Acciona Concesiones
Llewin Brzeski Wind Farm Sp. Z.o.o.	--	Poland	Energy	83.27%	Subgroup: Acciona Energía Global Polonia
Locubsa	AND	Andorra	Construction	100.00%	Subgroup: Acciona Construcción
Locus Accionae 2 S.L.	--	Spain	Corporate finance	100.00%	Acciona
Locus Accionae, S.L.	--	Spain	Corporate finance	100.00%	Acciona
Loxton Wind Facility 1, Pty. Ltd.	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
Lusonecso Promoção Imobiliária, Sociedade Unipessoal Lda	--	Portugal	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Macintyre UJV Operator, Pty. Ltd.	--	Australia	Energy	83.27%	Subgroup: Acciona Solar Holding
Macintyre Wind Farm Holding, Pty. Ltd.	--	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Macintyre Wind Farm, Pty. Ltd.	A	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Malgarida I, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Malgarida II, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Meltemi, Sp. Z.O.O.	A	Poland	Energy	62.45%	Subgroup: Acciona Energía Polonia
Mortlake South Wind Farm Holdings, Pty. Ltd.	--	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Mortlake South Wind Farm, Pty. Ltd.	A	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Mostostal Warszawa, S.A.	A	Poland	Construction	62.13%	Subgroup: Acciona Construcción
Moura Fabrica Solar, Lda.	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global
Mt Gellibrand Wind Farm Holding, Pty. Ltd.	--	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Mt Gellibrand Wind Farm, Pty. Ltd.	A	Australia	Energy	83.27%	Subgroup: Acciona Energía Global
Multiservicios Grupo Ramel, S.A.	--	Barcelona	Services	100.00%	Subgroup: Acciona Facility Services
Munditrade, S.L.	AND	Andorra	Construction	100.00%	Subgroup: Acciona Construcción
Mysliborz Wind Farm, Sp. Z.O.O.	--	Poland	Energy	83.27%	Subgroup: Acciona Energía Global Polonia
Narzym Wind Farm Spółka Zoo	--	Poland	Energy	83.27%	Subgroup: Acciona Energía Global Polonia
Necso Hong Kong, Ltd.	--	Hong Kong	Construction	100.00%	Subgroup: Acciona Construcción
Necso Triunfo Construcoes, Ltda.	--	Brazil	Construction	50.00%	Subgroup: Acciona Construcción
Nevada Solar One, LLC.	--	USA	Energy	62.45%	Subgroup: NVS1 Investment Group
Nordex H2, S.L.U.	--	Navarre	Energy	87.45%	Subgroup: Acciona Energía
Northwinds Trading, Pty. Ltd.	AND	South Africa	Construction	100.00%	Subgroup: Acciona Industrial
Notos Produçao de Energia, Lda.	A	Portugal	Energy	43.72%	Subgroup: Sayago
Nvs1 Investment Group, LLC.	--	USA	Energy	62.45%	Subgroup: Acciona Solar Energy
Oakleaf Investment Holdings 86, Pty. Ltd.	C	South Africa	Energy	83.27%	Subgroup: Acciona Energía Global Sudáfrica
Operador Atacama CSP Chile, SpA.	A	Chile	Construction	50.00%	Subgroup: Acciona Concesiones
Operadora Chut, S.L.	--	Madrid	Concessions	100.00%	Subgroup: Acciona Concesiones
Operadora de Servicios de Infraestructuras Sociales, S.A. de C.V.	--	Mexico	Concessions	100.00%	Subgroup: Acciona Servicios Hospitalarios

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Palmas Wind Finance, LLC.	--	USA	Energy	83.27%	Subgroup: Palmas Wind Finance Llc
Palmas Wind Holding, LLC.	--	USA	Energy	83.27%	Subgroup: Palmas Wind Finance Llc
Palmas Wind, LLC.	A	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Páramo de los Angostillos, S.L.	A	León	Energy	83.27%	Subgroup: Acciona Energía
Parco Eólico Cocullo, S.P.A.	A	Italy	Energy	62.45%	Subgroup: Cesa Italia
Parque Eólico da Costa Vicentina, S.A.	A	Portugal	Energy	62.45%	Subgroup: Acciona Eólica Portugal
Parque Eólico do Outeiro, S.A.	A	Portugal	Energy	62.45%	Subgroup: Acciona Eólica Portugal
Parque Eólico El Chaparro, S.L.	--	Madrid	Energy	83.27%	Subgroup: Alabe
Parque Eólico Escepar, S.A.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Parque Eólico La Esperanza, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Parque Eólico Peralejo, S.A.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Parque Eolico San Gabriel, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Parque Eólico Villamayor, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Parques Eólicos Celadas, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Parques Eólicos de Ciudad Real, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Parques Eólicos de San Lazaro, S.A. de C.V.	A	Mexico	Energy	83.27%	Subgroup: Acciona Energía México Global
Parques Eólicos del Cerrato, S.L.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Pia. Cos, S.R.L.	--	Italy	Water	100.00%	Subgroup: Acciona Agua
Pichilingue, SpA.	--	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Pitagora, S.R.L.	A	Italy	Energy	62.45%	Subgroup: Cesa Italia
Pleiades S.A.	--	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Pofadder Wind Facility 1, Pty. Ltd.	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
Pridagua Tratamiento de Aguas y Residuos, Lda.	--	Portugal	Water	100.00%	Subgroup: Acciona Agua
Proyectos Logísticos San Esteban, S.L.U.	--	Madrid	Real Estate	90.00%	Subgroup: Acciona Inmobiliaria
Proyectos Renovables Innovadores, S.A.	--	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Punta Palmeras, S.A.	A	Chile	Energy	62.45%	Subgroup: Acciona Energía Internacional
Pyrenees Wind Energy Developments, Pty. Ltd.	A	Australia	Energy	62.45%	Subgroup: Acciona Energía Oceanía
Pyrenees Wind Energy Holdings, Pty. Ltd.	--	Australia	Energy	62.45%	Subgroup: Pyrenees Wind Energy
Ramwork, S.A.	--	Barcelona	Services	99.98%	Subgroup: Acciona Facility Services
Rec Energy Solutions, S.L.U.	--	Barcelona	Energy	77.91%	Subgroup: Cargacoches, S.L.
Red Hills Finance, LLC.	A	USA	Energy	62.45%	Subgroup: Acciona Wind Energy USA
Red Hills Holding, LLC.	--	USA	Energy	59.33%	Subgroup: Red Hills Finance
Red Hills Wind Project, LLC.	A	USA	Energy	59.33%	Subgroup: Acciona Wind Energy Usa, Llc
Red Tailed Hawk LLC	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
Renovables del Penedés, S.A.U.	--	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Riacho Novo Empreendimentos Inmobiliarios, Ltda.	--	Brazil	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Rio Paraiba Do Sul Serviços, Ltda.	--	Brazil	Construction	100.00%	Subgroup: Acciona Construcción
Ripley Windfarm JV.	A	Canada	Energy	62.45%	Subgroup: Acciona Wind Energy Canada
S.C. A2 Tramo 2, S.A.	A	GUADALAJARA	Concessions	100.00%	Acciona
S.C. DLP, S.A.	--	Madrid	Construction	60.00%	Subgroup: Acciona Construcción
Saltos del Nansa, S.A.U.	A	Madrid	Energy	83.27%	Subgroup: Acciona Saltos de Agua
Saltos y Centrales de Catalunya, S.A.	A	Madrid	Energy	83.27%	Subgroup: Acciona Saltos de Agua
San Roman Finance, LLC.	--	USA	Energy	83.27%	Subgroup: Acciona Energía Global USA
San Roman Holding, LLC.	--	USA	Energy	83.27%	Subgroup: San Roman Holding Llc
San Roman Wind I, LLC.	A	USA	Energy	83.27%	Subgroup: San Roman Holding Llc
San Solar Energy Facility, Pty. Ltd.	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global
SC Acciona Facility Services Automotive, S.R.L.	--	Romania	Services	100.00%	Subgroup: Acciona Facility Services

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Scutum Logistic, S.L.	A	Barcelona	EV Manufacturing	77.61%	Subgroup: Acciona Mobility
Se Promina D.O.O.	--	Croatia	Energy	83.27%	Subgroup: Acciona Energía Global
Sierra de Selva, S.L.	A	Navarre	Energy	83.27%	Subgroup: Acciona Energía
Sistemas Energéticos Sayago, S.L.	--	Madrid	Energy	62.45%	Subgroup: Acciona Energía Internacional
Sistemas Energéticos Valle de Sedano, S.A.	A	Madrid	Energy	83.27%	Subgroup: Ceólica
Smart Pixel Exhibitions, S.L.	--	Madrid	Museum Interiors	100.00%	Subgroup: Acciona Cultural Engineering, S.A.
Sociedad Concesionaria Hospital de La Serena, S.A.		Chile	Concessions	100.00%	Subgroup: Acciona Concesiones
Sociedad Empresarial de Financiación y Comercio, S.L.	--	Madrid	Corporate finance	100.00%	Acciona
Sociedad Explotadora de Recursos Eólicos, S.A.	A	Portugal	Energy	62.45%	Subgroup: Acciona Eólica Portugal
Sociedad Istmeña Desarrollo Eólico, S.R.L. de C.V.	--	Mexico	Energy	83.27%	Subgroup: Acciona Energía México Global
Sociedad Levantina de Obras y Servicios, S.A.	--	Madrid	Construction	100.00%	Subgroup: Acciona Construcción
Sociedad San Rafael Hidráulica, S.A. de C.V.	--	Mexico	Engineering	100.00%	Subgroup: Acciona Ingeniería
Soconfil, S.A.	--	Madrid	Other	100.00%	Subgroup: Finanzas y Cartera 2
Solar Bolarque, S.L.	--	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Solar PDV, SpA.	--	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Solbioext 1, S.L.	--	Madrid	Energy	62.45%	Subgroup: Acciona Energía
Solbioext 2, S.L.	--	Madrid	Energy	62.45%	Subgroup: Acciona Energía
Solhidro Green Suministradora,S.L.U.	--	Madrid	Energy	83.27%	Subgroup: Desarrollos Renovables Eólicos y Solares, S.L.
Solideo Eco Systems, S.L.	E	Spain	Energy	64.14%	Subgroup: Solhol
Solideo Energy, S.L.	--	Spain	Energy	64.14%	Subgroup: Solhol
Solideo Group, S.L.	--	Spain	Energy	64.14%	Subgroup: Solhol
Sun Photo Voltaic Energy India, Pvt. Ltd.	C	India	Energy	83.27%	Subgroup: Acciona Energía Global
Surya Energy Photo Voltaic India, Pvt. Ltd.	A	India	Energy	83.27%	Subgroup: Acciona Energía Global
Tatanka Finance, LLC.	--	USA	Energy	62.45%	Subgroup: Acciona Wind Energy USA
Tatanka Holding, LLC.	--	USA	Energy	26.00% (100% class B shares)	Subgroup: Tatanka
Tatanka Wind Power, LLC.	A	USA	Energy	26.00% (100% class B shares)	Subgroup: Tatanka
Tecniomnia Española, S.L.	--	Barcelona	Services	100.00%	Subgroup: Acciona Facility Services
Terranova Energy Corporation, S.A.	--	Madrid	Energy	83.27%	Subgroup: Ceólica
TIBEST CUATRO, S.A.	--	Madrid	Corporate finance	100.00%	Acciona
TICTRES, S.A.	--	Madrid	Other	100.00%	Acciona
Tlaui Aqua, S.A. de C.V.	A	Mexico	Water	70.00%	Subgroup: Agua Boca de Río
Tolpan Sur, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Torre Lugano, S.L.	--	Madrid	Real Estate	100.00%	Subgroup: Acciona Real Estate
Towarowa Park, Sp. Z.O.O.	A	Poland	Real Estate	100.00%	Subgroup: Acciona Inmobiliaria
Transurme, S.A.	--	Barcelona	Services	100.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
Tuppadahalli Energy India, Pvt. Ltd.	C	India	Energy	62.45%	Subgroup: Acciona Energía Internacional
Usya, SpA.	A	Chile	Energy	83.27%	Subgroup: Acciona Energía Global
Valdivia Energía Eólica, S.A.	A	Madrid	Energy	83.27%	Subgroup: Acciona Energía
Velva Windfarm, LLC.	--	USA	Energy	62.45%	Subgroup: Acciona Wind Energy USA
Ventos de Santa Bibiana Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Ventos de Santa Edna Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Santa Bibiana (Brasil)
Ventos de Santa Ida Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Santa Bibiana (Brasil)
Ventos de Santa Iria Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Santa Bibiana (Brasil)

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Ventos de Santa Karolina Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Santa Bibiana (Brasil)
Ventos de Santa Lindalva Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Santa Bibiana (Brasil)
Ventos de Santa Paulina Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Santa Bibiana (Brasil)
Ventos de Sao Carlos Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Acciona Energía Global
Ventos de Sao Getulio Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao James Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Jordao Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Josef Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Juan Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Miguel Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Narciso Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Nicolau Energias Renovaveis S.A.	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Peregrino Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Pio X Energias Renovaveis, Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos
Ventos de Sao Ranieri Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos de Sao Xisto Energias Renovaveis Ltda	--	Brazil	Energy	83.27%	Subgroup: Ventos de Sao Carlos (Brasil)
Ventos Flutuantes Unipessoal, Lda	--	Portugal	Energy	83.27%	Subgroup: Acciona Portugal II – Energia Global
Vientos Bajo Hondo I, S.A.	--	Argentina	Energy	83.27%	Subgroup: Acciona Energía Global
Vientos Bajo Hondo I, S.A.	--	Argentina	Energy	83.27%	Subgroup: Acciona Energía Global
Vjetroelektrana Čemernica D.O.O. (Eur)	--	Croatia	Energy	83.27%	Subgroup: Acciona Energía Global
Vjetroelektrana Jelinak Doo (Eur)	A	Croatia	Energy	62.45%	Subgroup: Acciona Energía Internacional
Vjetroelektrana Opor D.O.O. (Eur)	--	Croatia	Energy	83.27%	Subgroup: Acciona Energía Global
Voltser Serviços de Operaçao e Manutençao de Centrais Fotovoltaicas	--	Portugal	Energy	83.27%	Subgroup: Acciona Energía Global Portugal II
Windfall 59 Properties, Pty. Ltd.	A	South Africa	Energy	34.29%	Subgroup: Acciona Energy South Africa Global
Wolseley Wind Farm, Pty. Ltd.	--	South Africa	Energy	83.27%	Subgroup: Acciona Energy South Africa Global

(*) Annual accounts audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young (E) Others

APPENDIX II

JOINT OPERATIONS STRUCTURED THROUGH SEPARATE VEHICLES

Joint operations structured through separate vehicles and proportionally consolidated at 31 December 2023 in accordance with IFRS are as follows:

Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Aista-Trans JV, Pty. Ltd.	--	South Africa	Construction	66.67%	Subgroup: Acciona Construcción
Bokpoort EPC Consortium, Pty. Ltd.	C	South Africa	Engineering	30.00%	Subgroup: Acciona Ingeniería
Chin Chute Windfarm JV.	B	Canada	Energy	31.23%	Subgroup: Acciona Wind Energy Canada
Consorcio Acciona Brotec Icafal, S.A.	--	Chile	Construction	60.00%	Subgroup: Acciona Construcción
Consorcio Acciona Ossa Pizzarotti C110, SpA.	--	Chile	Construction	45.00%	Subgroup: Acciona Construcción
Consorcio Acciona Pizzarotti Dc Chile Spa	--	Chile	Construction	50.00%	Subgroup: Acciona Construcción
Consorcio Hospital Egc, S.A.	--	Chile	Construction	80.00%	Subgroup: Acciona Construcción
Constructora Terminal Valle de México, S.A. de C.V.	C	Mexico	Construction	14.28%	Subgroup: Acciona Construcción
Iniciativas Energéticas Renovables, S.L.	--	Navarre	Energy	41.63%	Subgroup: Acciona Energía
Liciastar, Pty. Ltd.	A	South Africa	Engineering	50.00%	Subgroup: Acciona Ingeniería
Magrath Windfarm JV.	B	Canada	Energy	31.23%	Subgroup: Acciona Wind Energy Canada
MAJV Aviation, Pty. Ltd.	--	Australia	Construction	50.00%	Subgroup: Abigroup
Ouarzazate Solar 1, S.A.R.L.	--	Morocco	Engineering	37.50%	Subgroup: Acciona Ingeniería
Proyecto F8 Troy Aym, S.A. de C.V.	--	Mexico	Construction	55.95%	Subgroup: Acciona Industrial

(*) Annual accounts audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young (E) Others

APPENDIX III

COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The companies consolidated using the equity method at 31 December 2023 in accordance with IFRS are as follows:

Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Acciona Agua Sardinia Infraestructure, S.R.L.	--	Italy	Water	10.00%	Subgroup: Acciona Agua
Acciona CMS JV, LLC	--	USA	Construction	50.00%	Subgroup Acciona Construcción
Acciona Concesiones P2W Investment, Ltd.	A	New Zealand	Concessions	10.00%	Subgroup Acciona Concesiones
Acciona Plug, S.L.	--	Madrid	Energy	41.63%	Subgroup Acciona Energía
Acciona Waste Water Treatment Plant, Ltd.	--	Trinidad & Tobago	Water	70.00%	Subgroup: Acciona Agua
Accionaplug Portugal, Unipessoal Lda.	--	Portugal	Energy	41.63%	Subgroup Ehn
Accionaplug Valle H2V Navarra, S.L.	--	Spain	Energy	41.63%	Subgroup Ehn
Adelaideaqua, Pty. Ltd.	C	Australia	Water	50.00%	Subgroup Acciona Agua Adelaide
Aguas Tratadas del Valle de Mexico, S.A. de C.V.	C	Mexico	Water	24.26%	Subgroup: Acciona Agua
Aleqad Treatment Company LLC	A	Saudi Arabia	Water	35.00%	Subgroup: Acciona Agua
Algerian Water Investment, S.L.	--	Madrid	Water	50.00%	Subgroup Algerian Water Investment
Alsubh Solar Power, S.A.E.	A	Egypt	Energy	50.00%	Alsubh Solar Energy Holdings, S.A.
Altrac Light Rail Holdings 1, Pty. Ltd.	A	Australia	Concessions	5.00%	Subgroup Acciona Concesiones
Aprofitament D'Energies Renovables de L´Ebre, S.L.	--	Barcelona	Energy	8.13%	Subgroup Acciona Energía
Ardemer Itg, S.L.	--	Teruel	Energy	41.63%	Subgroup Acciona Energía
Arratil Independent Tretament Company, LLC	A	Saudi Arabia	Water	35.00%	Subgroup: Acciona Agua
Asenda Ciudad Mayakoba, S.A. de C.V.	--	Mexico	Real Estate	50.00%	Subgroup Parque Reforma
AT Operadora Puerto Libertad, S.A.P.I. de C.V.	--	Mexico	Energy	41.63%	Subgroup Acciona Energía México Global
AT Solar I, S.A.P.I. de C.V.	--	Mexico	Energy	41.63%	Subgroup Acciona Energía México Global
AT Solar II, S.A.P.I. de C.V.	--	Mexico	Energy	41.63%	Subgroup Acciona Energía México Global
AT Solar III, S.A.P.I. de C.V.	--	Mexico	Energy	41.63%	Subgroup Acciona Energía México Global
AT Solar V, S.A.P.I. de C.V.	A	Mexico	Energy	41.63%	Subgroup Acciona Energía México Global
Baja California Power, S.A. de C.V.	--	Mexico	Engineering	65.00%	Subgroup Acciona Ingeniería
Brazilian Real State Project Holding, Ltda.	--	Brazil	Real Estate	50.00%	Brazilian Subgroup
Broadway Subway Project Corp.	B	Canada	Construction	60.00%	Subgroup Acciona Concesiones
Camarate Golf, S.A.	--	Madrid	Real Estate	22.00%	Subgroup Acciona Inmobiliaria
Carnotavento, S.A.	--	La Corunna	Energy	20.40%	Subgroup Eurovento
CAT 2022 Office Complex, S.L.	B	Madrid	Real Estate	32.00%	Subgroup Acciona Real Estate
Cathedral Rocks Holdings 2, Pty. Ltd	--	Australia	Energy	31.23%	Subgroup Cathedral Rocks Holdings
Cathedral Rocks Holdings, Pty. Ltd.	--	Australia	Energy	31.23%	Subgroup Acciona Energía Oceanía
Cathedral Rocks Wind Farm, Pty. Ltd.	A	Australia	Energy	31.23%	Subgroup Cathedral Rocks Holdings 2
Chinook Highway Operations, Inc.	C	Canada	Concessions	50.00%	Subgroup Acciona Concesiones
Cogeneración Arrudas, Ltda.	--	Brazil	Water	50.00%	Subgroup: Acciona Agua
Concesionaria de Desalación de Ibiza, S.A.	E	Ibiza	Water	50.00%	Subgroup: Acciona Agua
Concesionaria La Chira, S.A.	E	Peru	Water	50.00%	Subgroup: Acciona Agua
Concessionaria Linha Universidade, S.A.	A	Brazil	Concessions	48.00%	Subgroup Acciona Concesiones

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Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Consorcio Cadebac, S.A. de C.V.	--	Mexico	Water	50.00%	Subgroup: Acciona Agua
Consorcio Operador de Atotonilco, S.A. de C.V.	C	Mexico	Water	24.50%	Subgroup: Acciona Agua
Consorcio Traza, S.A.	--	Zaragoza	Concessions	16.60%	Acciona
Constructor Atacama CSP Chile, SpA.	A	Chile	Construction	25.00%	Subgroup: Acciona Industrial
Constructor Atacama CSP, S.L.	A	Madrid	Construction	25.00%	Subgroup: Acciona Industrial
Constructora de Obras Civiles y Electromecánicas, S.A. de C.V.	E	Mexico	Water	24.50%	Subgroup: Aguas Hispano Mexicana
Constructora Necso Sacyr Chile, S.A.	--	Chile	Construction	50.00%	Subgroup: Acciona Concesiones Chile
Constructora Y Desalinizadora Del Pacífico, Sa De Cv	--	Mexico	Water	50.00%	Subgroup: Pridesa
Depurar P1, S.A.	--	Zaragoza	Water	50.00%	Subgroup: Acciona Agua
Desarrollo del Sureste Playa del Carmen Tulum, S.A. de C.V.	C	Mexico	Construction	50.00%	Subgroup: Acciona Construcción
Desert Well Treatment Company LLC	A	Saudi Arabia	Water	35.00%	Subgroup: Acciona Agua
East Rockingham Rrff Hold Co, Pty. Ltd.	D	Australia	Concessions	10.00%	Subgroup: Acciona Concesiones
EMSERVA, S.A.	--	Malaga	Water	49.00%	Subgroup: Acciona Agua Servicios
Energías Eólicas De Castellón, S.L.	--	Spain	Energy	41.63%	Subgroup: Ehn
Energy Corp Hungary Megújuló Energia Hasznosító KFT	E	Hungary	Energy	41.63%	Subgroup: Acciona Eólica Cesa
Eólicas Mare Nostrum, S.L.	--	Valencia	Energy	62.45%	Subgroup: Acciona Energía
Eolink, S.A.S.	--	France	Energy	19.77%	Subgroup: Acciona Energía Global
Eurovento, S.L.	--	La Corunna	Energy	41.63%	Subgroup: Tripower
Eve Holding, Inc	--	USA	Other	1.11%	Subgroup: Acciona Logística
Fraser Crossing Project Corp.	--	Canada	Construction	50.00%	Subgroup: Acciona Concesiones
Helena Water Finance, Pty. Ltd.	C	Australia	Water	25.05%	Subgroup: Acciona Agua Internacional Australia
Horto III Empreendimento Imobiliário Spe, Ltda.	--	Brazil	Real Estate	50.00%	Brazilian Subgroup
Infraestructuras de Movilidad Urbana Sostenible Aq JV, S.L.	--	Madrid	Energy	42.47%	Subgroup: Acciona Energía
Infraestructuras San Serván 220, S.L.	--	Madrid	Energy	21.32%	Subgroup: Acciona Energía
Infraestructuras Villanueva, S.L.	--	Madrid	Energy	33.75%	Subgroup: Guadalaviar
Líneas Eléctricas Asturianas, S.L.	--	Madrid	Energy	41.63%	Subgroup: Eurovento
Líneas Eléctricas Gallegas II, S.L.	--	La Corunna	Energy	41.63%	Subgroup: Eurovento
Líneas Eléctricas Gallegas III, S.L.	--	La Corunna	Energy	41.63%	Subgroup: Eurovento
Líneas Eléctricas Gallegas, S.L.	--	La Corunna	Energy	29.14%	Subgroup: Eurovento
Med Wind Energy, S.L	--	Spain	Energy	41.63%	Subgroup: Ehn
Morro Ipiranga Empreendimento Imobiliário Spe, Ltda.	--	Brazil	Real Estate	50.00%	Brazilian Subgroup
Mov-R H1 Szeleromu Megujulo Energia Hasznosito, Kft.	E	Hungary	Energy	41.01%	Subgroup: Energy Corp Hungary
Myah Typaza, SpA.	E	Algeria	Water	25.50%	Subgroup: Algerian Water Investment
Nexus Infrastructure Holdings Unit Trust	C	Australia	Concessions	20.00%	Subgroup: Acciona Concesiones
Nova Dársena Esportiva de Bara, S.A.	E	Tarragona	Concessions	50.00%	Subgroup: Acciona Concesiones
Operador del Mercado Ibérico - Polo Español, S.A.	D	Madrid	Energy	4.16%	Subgroup: Acciona Energía
P2W Services, Ltd.	A	New Zealand	Concessions	50.00%	Subgroup: Acciona Concesiones
Parque Eólico Adrano, S.L.	C	La Corunna	Energy	41.63%	Subgroup: Ceólica
Parque Eólico de Abara, S.L.	C	Madrid	Energy	41.63%	Subgroup: Ceólica
Parque Eólico de Barbanza, S.L.	A	La Corunna	Energy	10.41%	Subgroup: Eurovento
Parque Eólico de Bobia y San Isidro, S.L.	C	Madrid	Energy	41.63%	Subgroup: Ceólica
Parques Eólicos de Buio, S.L.	C	La Corunna	Energy	41.63%	Subgroup: Ceólica
Polígono Romica, S.A.	--	Albacete	Real Estate	50.00%	Subgroup: Acciona Inmobiliaria
Port City Water Services, Inc.	A	Canada	Water	50.00%	Subgroup: Acciona Agua

Company	Audit	Location	Activity	% Ownership (direct and indirect)	Shareholder
Power to Green Hydrogen Mallorca, S.L.	--	Palma De Mallorca	Energy	36.64%	Subgroup: Acciona Energía
QEV Extreme, S.L.	--	Barcelona	Other	35.00%	Subgroup: Acciona Mobility
Red River Valley Alliance, LLC.	A	USA	Concessions	42.50%	Subgroup: Acciona Concesiones
Reghion Agua, S.C.A.R.L.	--	Italy	Water	50.00%	Subgroup: Acciona Agua Servicios
Renen Services Llc	A	Egypt	Energy	41.63%	Subgroup: Acciona Energía Global
Renercycle, S.L.	--	Spain	Energy	13.16%	Subgroup: Ehn
Residencial Maranta Dos, S.A. de C.V.	--	Mexico	Real Estate	10.00%	Subgroup: Parque Reforma
Rising Sun Energy, S.A.E.	A	Egypt	Energy	41.63%	Subgroup: Acciona Energía Global
Selvademar Properties, S.L.	--	Madrid	Real Estate	32.00%	Subgroup: Acciona Real Estate
Servicio de Tratamiento de Aguas PTAR Caracol, S.A. de C.V.	--	Mexico	Water	48.98%	Subgroup: Acciona Agua
Servicios Comunitarios de Molina de Segura, S.A.	E	Murcia	Water	48.60%	Subgroup: Acciona Agua Servicios
Shuqaiq Three Company for Operation and Maintenance	C	Saudi Arabia	Water	35.00%	Subgroup: Acciona Agua
Shuqaiq Three Company for Water	C	Saudi Arabia	Water	10.00%	Subgroup: Acciona Agua
Sistemes Electrics Espluga, S.A.	--	Barcelona	Energy	41.63%	Subgroup: Acciona Energía
Sociedad de Aguas Hispano Mexicana, S.A. de C.V.	C	Mexico	Water	50.00%	Subgroup: Aguas Hispano Mexicana
Sociedad Mixta del Agua-Jaen, S.A.	C	Jaén	Water	60.00%	Subgroup: Acciona Agua Servicios
Solena Group	--	USA	Other infrastructure activities	25.00%	Subgroup: Acciona Servicios Urbanos y Medio Ambiente
South Cluster Spv LLC	--	Saudi Arabia	Water	25.00%	Subgroup: Acciona Agua
Sunrise Energy, S.A.E.	A	Egypt	Energy	41.63%	Subgroup: Acciona Energía Global
The Blue Circle Pte. Ltd.	E	Singapore	Energy	41.63%	Subgroup: Acciona Energía Global
Tranvías Urbanos de Zaragoza, S.L.	D	Zaragoza	Concessions	15.00%	Subgroup: Acciona Concesiones
Tuneles Tijuana Acpros S.A. De C.V.	--	Mexico	Construction	50.00%	Subgroup: Acciona Construcción
Tuto Energy I, S.A.P.I. de C.V.	--	Mexico	Energy	41.63%	Subgroup: Acciona Energía México Global
Tuto Energy II, S.A.P.I. de C.V.	A	Mexico	Energy	41.63%	Subgroup: Acciona Energía México Global
Vento Mareiro, S.L.	--	La Corunna	Energy	20.40%	Subgroup: Eurovento
Ventos e Terras Galegas II, S.L.	--	La Corunna	Energy	41.63%	Subgroup: Tripower
Ventos e Terras Galegas, S.L.	--	La Corunna	Energy	41.63%	Subgroup: Tripower
Vertex Residencial Cuajimalpa, S.A. de C.V.	--	Mexico	Real Estate	10.00%	Subgroup: Parque Reforma

(*) Annual accounts audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young (E) Others

APPENDIX IV

CHANGES IN THE CONSOLIDATION PERIMETER

Changes in the consolidation perimeter in 2023 were as follows:

Company	Location	Activity	Change	Consolidation method
Acciona Construccion Hispano Colombiana Sas	Colombia	Construction	Addition	Group
Acciona Culture Corporation	USA	Audiovisual services	Addition	Group
Acciona Energia Re.	Spain	Energy	Addition	Group
Acciona Energija Global Croatia D.O.O.	Croatia	Energy	Addition	Group
Acciona Esco Belgium Srl	Belgium	Energy	Addition	Group
Acciona Facility Services Usa Llc	USA	Urban services	Addition	Group
Acciona Logística De Transporte Spa	Chile	Logistics services	Addition	Group
Acciona Proyectos Renovables Para Hidrógeno, S.L.	Spain	Energy	Addition	Group
Accionaplug Portugal, Unipessoal Lda.	Portugal	Energy	Addition	Associate
Accionaplug Valle H2V Navarra, S.L.	Spain	Energy	Addition	Associate
Aegc Forty Mile Wind Lp	Canada	Energy	Addition	Group
Alderaan Energia, S.L.	Spain	Energy	Addition	Group
Aldoga Solar Farm Holdings Pty Ltd	Australia	Energy	Addition	Group
Aldoga Solar Farm Pty Ltd	Australia	Energy	Addition	Group
Ardenna, Spa	Chile	Energy	Addition	Group
Bestinver Activos Inmobiliarios, S.L.	Spain	Financial entity	Addition	Group
Concesionaria Transmisora Ica-Poroma S.A.C.	Peru	Concessions	Addition	Group
Constructora Y Desalinizadora Del Pacífico, Sa De Cv	Mexico	Water treatment	Addition	Associate
Energías Eólicas De Castellón, S.L.	Spain	Energy	Addition	Associate
Fe Berg River Proprietary Limited	South Africa	Energy	Addition	Group
Fe Bonne Esperance Proprietary Limited	South Africa	Energy	Addition	Group
Fort Bend Holding Llc	USA	Energy	Addition	Group
Fort Point Finance Llc	USA	Energy	Addition	Group
Gestora De Runas De Vilanova Del Vallés, S.L.	Spain	Urban services	Addition	Group
High Point Holding Llc	USA	Energy	Addition	Group
Kallfu, Spa	Chile	Energy	Addition	Group
Kuruf, Spa	Chile	Energy	Addition	Group
Kwinana Wte Holding Pty Ltd	Australia	Construction	Addition	Group
Lafquen, Spa	Chile	Energy	Addition	Group
Lile, Spa	Chile	Energy	Addition	Group
Locus Accionae 2 S.L.	Spain	Real Estate	Addition	Group
Locus Accionae, S.L.	Spain	Real Estate	Addition	Group
Med Wind Energy, S.L	Spain	Energy	Addition	Associate
Renercycle, S.L.	Spain	Energy	Addition	Associate
Se Promina D.O.O.	Croatia	Energy	Addition	Group
Solideo Eco Systems, S.L.	Spain	Energy	Addition	Jointly controlled entity
Solideo Energy, S.L.	Spain	Energy	Addition	Jointly controlled entity
Solideo Group, S.L.	Spain	Energy	Addition	Jointly controlled entity
Tuneles Tijuana Acpros S.A. De C.V.	Mexico	Construction	Addition	Associate
Ventos Flutuantes Unipessoal, Lda	Portugal	Energy	Addition	Group
Acciona Agua & Sogex, LLC.	Oman	Water	Disposal	Associate
Acciona Eólica Cesa, S.L.	Madrid	Energy	Disposal	Group
Acciona Infraestructuras Colombia, S.A.S.	Colombia	Construction	Disposal	Group
Acciona Multiservicios, S.A.	Madrid	Services	Disposal	Group
Acciones Urbanas, Servicios y Medio Ambiente, S.L.	Murcia	Other infrastructure activities	Disposal	Associate
Aerosite Energy, Pvt. Ltd.	India	Energy	Disposal	Group

Company	Location	Activity	Change	Consolidation method
Cathedral Rocks Construcc. and Management, Pty. Ltd.	Australia	Energy	Disposal	Associate
Ceatesalas, S.L.	Madrid	Energy	Disposal	Group
Cleverreal - Gestão de Investimentos Imóbiliários, Lda.	Portugal	Real Estate	Disposal	Associate
Consorcio Acciona Ossa, S.A.	Chile	Construction	Disposal	Group
Corporación Eólica La Cañada, S.L.	Madrid	Energy	Disposal	Group
Energía Renovables de Barazar, S.L.	Madrid	Energy	Disposal	Group
Entorno Urbano y Medio Ambiente, S.L.	Murcia	Other infrastructure activities	Disposal	Associate
Fujin Power, Pvt. Ltd.	India	Energy	Disposal	Group
Logiberica de Prensa y Servicios, S.L.	Madrid	Services	Disposal	Associate
Necsorgaz, S.L.	Madrid	Real Estate	Disposal	Associate
Parque Eólico A Runa, S.L.	La Corunna	Energy	Disposal	Associate
Parque Eólico Ameixenda Filgueira, S.L.	La Corunna	Energy	Disposal	Associate
Parque Eólico Curras, S.L.	La Corunna	Energy	Disposal	Associate
Parque Eólico da Raia, S.A.	Portugal	Energy	Disposal	Group
Parque Eólico de Deva, S.L.	La Corunna	Energy	Disposal	Associate
Parque Eólico de Manrique, S.A.	Portugal	Energy	Disposal	Group
Parque Eólico de Pracana, S.A.	Portugal	Energy	Disposal	Group
Parque Eólico de Tea, S.L.	La Corunna	Energy	Disposal	Associate
Parque Eólico do Marao, S.A.	Portugal	Energy	Disposal	Group
Parque Eólico dos Fiéis, S.A.	Portugal	Energy	Disposal	Group
Parque Eólico Vicedo, S.L.	La Corunna	Energy	Disposal	Associate
Parque Eólico Virxe do Monte, S.L.	La Corunna	Energy	Disposal	Associate
Amper Central Solar, S.A.	Portugal	Energy	Change in consol. method	Group
Cotoperí Solar Fv, S.R.L.	Dominican Republic	Energy	Change in consol. method	Group
Energías Renovables Mediterráneas, S.A.	Valencia	Energy	Change in consol. method	Group

Changes in the consolidation perimeter in 2022 were as follows:

Company	Location	Activity	Change	Consolidation method
13888215 Canada Inc.	Canada	Water	Addition	Group
Acciona Agua Puerto Rico LLC	Puerto Rico	Water	Addition	Group
Acciona Airport Services República Dominicana, S.A.S.	Dominican Republic	Airport services	Addition	Group
Acciona Campus, S.L.	Madrid	Concessions	Disposal	Group
Acciona CMS JV, LLC	USA	Construction	Addition	Associate
Acciona Customer Services Düsseldorf GmbH	Germany	Airport services	Addition	Group
Acciona Energía Brasil Ltda.	Brazil	Energy	Addition	Group
Acciona Engineering North America Inc.	Canada	Engineering	Addition	Group
Acciona Facility Services For Maintenance And Cleaning	Saudi Arabia	Urban services	Addition	Group
Acciona Facility Services Italia, S.R.L.	Italy	Services	Disposal	Group
Acciona Green Energy Portugal, Lda	Portugal	Energy	Addition	Group
Acciona Industrial NL B.V.	Netherlands	Industrial	Addition	Group
Acciona Personnel Services GmbH	Germany	Airport services	Addition	Group
Acciona Waste Water Solutions LP.	Canada	Water	Addition	Group
Acciona Wastewater Solutions GP, Inc.	Canada	Water treatment	Change in consol. method	Group
Aeug Solar Development LLC	USA	Energy	Addition	Group
Aeug Solar Holdco LLC	USA	Energy	Addition	Group
Aleqad Treatment Company LLC	Saudi Arabia	Water	Addition	Associate
Alfa Spa	Chile	Energy	Addition	Group
Ardemer Itg, S.L.	Teruel	Energy	Addition	Associate

Company	Location	Activity	Change	Consolidation method
Arratil Independent Tretament Company, LLC	Saudi Arabia	Water	Addition	Associate
Bahia Eólica I Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica II Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica III Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica IV Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica IX Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica V Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica Vi Energias S.A.	Brazil	Energy	Addition	Group
Bahia Eólica VII Energias, S.A.	Brazil	Energy	Addition	Group
Bahia Eólica VIII Energias S.A.	Brazil	Energy	Addition	Group
Bt Cunningham Storage LLC	USA	Energy	Addition	Group
COEFISA, S.A.	SWITZERLAND	Corporate finance	Disposal	Group
Concesionaria Transmisora Reque Tumbes S.A.C.	Peru	Concessions	Addition	Group
Consorcio Acciona Pizzarotti Dc Chile Spa	Chile	Construction	Addition	Jointly controlled entity
Cotoperí Solar Fv, S.R.L.	Dominican Republic	Energy	Addition	Associate
Desarrollo de Energías Renovables de Navarra, S.A.	Pamplona	Energy	Disposal	Group
Desert Well Treatment Company LLC	Saudi Arabia	Water	Addition	Associate
Enren, S.R.L.	Dominican Republic	Energy	Addition	Group
Eolink, S.A.S.	France	Energy	Addition	Associate
Eqinov, S.A.S.	France	Energy efficiency services	Addition	Group
Eve Holding, Inc	USA	Other	Addition	Associate
Explotaciones Eólicas Sierra de Utrera, S.L.	Madrid	Energy	Disposal	Group
Firefly Investments 238, Pty. Ltd.	South Africa	Energy	Change in consol. method	Group
Generica de Construcción y Mantenimiento Industrial, S.A.	Zaragoza	Construction	Disposal	Group
Infraestructuras de Movilidad Urbana Sostenible Aq JV, S.L.	Madrid	Energy	Addition	Associate
Jerson Itg, S.L.	Madrid	Energy	Addition	Group
Kirov Itg, S.L.	Madrid	Energy	Addition	Group
Langhoogte Wind Farm (Pty) Ltd	South Africa	Energy	Addition	Group
Lewin Brzeski Wind Farm Sp Zoo	Poland	Energy	Addition	Group
Narzym Wind Farm Spółka Zoo	Poland	Energy	Addition	Group
Nordex H2, S.L.U.	Navarre	Energy	Addition	Associate
Oakleaf Investment Holdings 86, Pty. Ltd.	South Africa	Energy	Change in consol. method	Group
Páramo de los Angostillos, S.L.	León	Energy	Change in consol. method	Group
Parque Eólico Cinseiro, S.L.	Zamora	Energy	Disposal	Group
Pleiades S.A.	Chile	Energy	Addition	Group
Power to Green Hydrogen Mallorca, S.L.	Palma De Mallorca	Energy	Addition	Associate
Red Tailed Hawk LLC	USA	Energy	Addition	Group
Sociedad Concesionaria Hospital de La Serena, S.A.	Chile	Concessions	Addition	Group
South Cluster Spv LLC	Saudi Arabia	Water	Addition	Associate
Tateldaco, S.L.	Madrid	Real Estate	Disposal	Group
Ternua Holdings, B.V.	Netherlands	Energy	Disposal	Group
The Blue Circle Pte. Ltd.	Singapore	Energy	Addition	Associate
Ventos de Santa Bibiana Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Santa Edna Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Santa Ida Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Santa Iria Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Santa Karolina Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Santa Lindalva Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Santa Paulina Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Sao Carlos Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Sao Getulio Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Sao James Energias Renovaveis Ltda	Brazil	Energy	Addition	Group

Company	Location	Activity	Change	Consolidation method
Ventos de Sao Jordao Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Sao Josef Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Juan Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Miguel Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Narciso Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Nicolau Energias Renovaveis S.A.	Brazil	Energy	Addition	Group
Ventos de Sao Peregrino Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Pio X Energias Renovaveis, Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Ranieri Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Ventos de Sao Xisto Energias Renovaveis Ltda	Brazil	Energy	Addition	Group
Windsor Essex Mobility Group, GP	Canada	Concessions	Disposal	Group

APPENDIX V

MAIN CONCESSIONS

Water Division

NAME	Description	Period	Country	Acciona	Spanish central government	Accounting method	Asset type
EDAR 8B	Construction, operation and maintenance of the wastewater treatment plant in "Zone 08B" of the Aragon Water Treatment Plan	2008 - 2031	Spain	100%	In operation	Full consolidation	Intangible asset
EDAR 7B	Construction, operation and maintenance of the wastewater treatment plant in "Zone 07B" of the Aragon Water Treatment Plan	2011 - 2031	Spain	100%	In operation	Full consolidation	Intangible asset
IDAM Javea	Construction, operation and maintenance of the seawater desalination plant in Javea	2001 - 2024	Spain	100%	In operation	Full consolidation	Financial asset
IDAM Fouka	Construction, operation and maintenance of the seawater desalination plant in Tipaza	2008 - 2036	Algeria	26%	In operation	Equity consolidation	Financial asset
IDAM Ibiza -Portmany	Reform, operation and maintenance of the seawater desalination plant in San Antonio Portmany, Ibiza	2009 - 2024	Spain	50%	In operation	Equity consolidation	Financial asset
PTAR Atotonilco	Construction, operation and maintenance of the wastewater treatment plant in Atotonilco	2010 - 2035	Mexico	24%	In operation	Equity consolidation	Financial asset
WWTP Mundaring	Construction, operation and maintenance of the wastewater treatment plant in Mundaring	2011 - 2048	Australia	25%	In operation	Equity consolidation	Financial asset
PTAR La Chira	Construction, operation and maintenance of the wastewater treatment plant in La Chira	2011 - 2037	Peru	50%	In operation	Equity consolidation	Financial asset
IDAM Arucas Moya	Construction, operation and maintenance of the seawater desalination plant in Arucas / Moya	2008 - 2024	Spain	100%	In operation	Full consolidation	Intangible asset
Andratx sewage system	Construction, operation and maintenance of the sewage system in Andratx	2009 - 2044	Spain	100%	In operation	Full consolidation	Intangible asset
Port City Water	Design, construction, financing, operation and maintenance of a potable water treatment plant in Saint John	2016 - 2048	Canada	40%	In operation	Equity consolidation	Financial asset
Sercomosa	Public-private partnership for delivery of the water supply service in Molina de Segura	1998 - 2040	Spain	49%	In operation	Equity consolidation	Intangible asset
Somajasa	Public-private partnership responsible for management of the integrated water cycle for public services in some municipalities in Jaen province	2007 - 2032	Spain	60%	In operation	Equity consolidation	Intangible asset
Gesba	Water supply service in Andratx and Deiá (Mallorca)	1994 - 2044	Spain	100%	In operation	Full consolidation	Intangible asset
Costa Tropical	Integrated water cycle service in Costa Tropical (Granada)	1995 - 2045	Spain	49%	In operation	Proportional consolidation	Intangible asset
Boca del Rio	Integrated water cycle service in Boca del Río (Veracruz)	2018 - 2047	Mexico	70%	In operation	Full consolidation	Intangible asset
Shuqaiq 3	Development, design, financing, construction, commissioning, operation and maintenance of the SWRO plant	2019 - 2046	Saudi Arabia	10%	In operation	Equity consolidation	Financial asset
Veracruz	Public integrated water cycle and sewage services in Veracruz and Medellín	2016 - 2046	Mexico	100%	In operation	Full consolidation	Intangible asset
Los Cabos	Contract for engineering, executive project, procurement, construction, commissioning and operation of the seawater desalination plant in Cabos San Lucas, municipality of Los Cabos	2023 - 2048	Mexico	50%	Construction	Equity consolidation	Financial asset
Madinah 3	Development, design, financing, construction, commissioning, operation and maintenance of the ISTP plant	2022 - 2049	Saudi Arabia	35%	Construction	Equity consolidation	Financial asset
Buraydah 2	Development, design, financing, construction, commissioning, operation and maintenance of the ISTP plant	2022 - 2049	Saudi Arabia	35%	Construction	Equity consolidation	Financial asset
Tabuk 2	Development, design, financing, construction, commissioning, operation and maintenance of the ISTP plant	2022 - 2049	Saudi Arabia	35%	Construction	Equity consolidation	Financial asset
Casablanca	Design, financing, construction and operation of a Public Private Partnership for the development of a desalination plant in the Greater Casablanca area	2024 - 2054	Morocco	50%	Construction	Equity consolidation	Financial asset

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Infrastructure Division

	NAME	Description	Period	Country	Acciona	Spanish central government	Accounting method	Asset type
Roads	A2 - Tramo 2	Redesign, renovation, operation and maintenance of a 76.5 km stretch (Tramo 2) of the A2 motorway between km 62 and km 139 (Soria-Guadalajara). Shadow toll	2007 - 2026	Spain	1	In operation	Full consolidation	Intangible asset
	Carreteras de Aragón	Road widening, upkeep and operation of the A127 motorway (Gallur-Ejea de los Caballeros stretch-Lot 11)	2023 - 2049	Spain	0,98	Construction	Full consolidation	Financial asset
	Toowoomba Second Range Crossing (Nexus)	Design, construction and operation of a 41 km highway to bypass the north of Toowoomba (Queensland), from Helidon Spa to Athol via Charlton. Availability-based payment (operation for 25 years as of the completion of construction work).	2015 - 2043	Australia	0,2	In operation	Equity consolidation	Financial asset
	Puhoi to Warkworth	Financing, design, construction and maintenance of the new motorway from Puhoi to Warkworth. This project will extend the four-lane SH-18.5km (Northern Motorway) 18.5 km from the Johnstone's tunnels to the north of Warkworth.	2016 - 2046	New Zealand	0,1	Construction	Equity consolidation	Financial asset
Rail	Consorcio Traza (Zaragoza Tramway)	Construction and operation of the north-south tramway in the city of Zaragoza (12.8 km)	2009 - 2044	Spain	0,166	In operation	Equity consolidation	Dual intangible/financial asset
	Concessionaria Linha Universidade	Construction of civil works and systems, supply of rolling stock, operation, upkeep, maintenance and expansion of public transport services for Metro Line 6 - Laranja in São Paulo.	2020 - 2044	Brazil	0,48	Construction	Equity consolidation	Financial asset
	Sydney Light Rail	Design, construction, operation and maintenance of a 12 km tram line from Circular Quay via George Street to Central Station and through Surry Hills to Moore Park, Kensington, Kingsford and Randwick. The concession includes operation of the existing Inner West line.	2014 - 2036	Australia	0,05	In operation	Equity consolidation	Financial asset
Canal	Fargo	Design, construction, operation and maintenance of a 48 km flood channel between Fargo (North Dakota) and Moorhead (Minnesota).	2021 - 2056	USA	0,425	Construction	Equity consolidation	Financial asset
Port	Nova Darsena Esportiva de Bara	Construction and operation of the Roda de Bara marina. Revenue from the assignment and rental of berths, store rooms and retail space (191,771 m2)	2005 - 2035	Spain	0,5	In operation	Equity consolidation	N/A
Hospital	Hospital de Leon Bajio	Design, construction, fitting-out and hospital O&M (184 beds)	2005 - 2030	Mexico	1	In operation	Full consolidation	Financial asset
	Hospital La Serena	Design, construction, fitting-out and hospital O&M (668 beds)	2022 - 2042	Chile	1	Construction	Full consolidation	Financial asset
Plant	East Rockingham	Design, construction, operation and maintenance of a waste processing and management plant	2019 - 2052	Australia	0,1	Construction	Equity consolidation	N/A
LV	LT Reque - Nueva Carhuaquero LT Nueva Tumbes - Tumbes	Design, construction, operation and transfer of two transmission lines and two substations, and extension of two existing substations	2022 - 2056	Peru	1	Construction	Full consolidation	Intangible asset
	LT ICA - Poroma LT Cáclic - Jaen Norte	Design, construction, operation and transfer of two transmission lines and two substations, and extension of two existing substations	2023 - 2057	Peru	1	Construction	Full consolidation	Intangible asset

APPENDIX VI. Regulatory framework for the Energy Division

Given their strategic importance to the economy and society as a whole, generation and energy supply activities are heavily regulated by government. The following pages describe the regulatory framework applicable in the key jurisdictions where the Corporación Acciona Energías Renovables (CAER) subgroup conducts its operations.

Spain

Royal Decree-Law 9/2013 adopting urgent measures to guarantee the financial stability of the Spanish electricity system was published on 12 July 2013. The Royal Decree-Law made substantial changes to the previous legal and economic framework and repealed other statutory instruments, including Royal Decree 661/2007 of 25 May 2007 and Royal Decree 6/2009 of 30 April 2009 governing the remuneration framework supporting the renewable energy resources used at most of the generating plants owned by the Corporación Acciona Energías Renovables (CAER) subgroup in Spain.

In accordance with this regulatory framework, generating facilities are entitled not only to remuneration in the form of revenues earned from the sale of power at market prices but also to specific remuneration comprising a term per unit of power installed (investment remuneration), covering, where appropriate, any investment costs for a standard facility that are not recoverable through electricity sales and an operating term (operating remuneration) covering, where applicable, the difference between operating costs and the revenue obtained from the participation of the standard facility in the market.

The specific remuneration receivable by each standard facility is calculated based on the following items over the regulatory lifetime of the asset concerned, assuming efficient conduct of the activity by a well-managed company:

- Standard revenues from the sale of the power generated valued at market production prices

- Standard operating costs

- Standard value of the initial investment (net present value or NPV)

The aim of these parameters is to cover the minimum costs necessary to level the playing field so as to enable renewable generating facilities to compete with other conventional technologies in the market and obtain a reasonable or fair return. This fair return should be similar, before tax, to the average market yield on ten-year Government Bonds applying an appropriate differential. The first additional provision of Royal Decree-Law 9/2013 set the differential for the generating facilities covered by the financial premium system at 300 basis points, subject to review every six years. The fair return established on this basis for the first interim regulatory period (2014-2019) was 7.398%.

The new Spanish Electricity Sector Act (Law 24/2013) published in December 2013 replaced the former Electricity Sector Act (Law 54/1997) and established a new legislative framework for the current situation of the industry, repealing the special generating regime and instead providing for specific remuneration and defining the criteria for the determination of the fair return for power plants.

Royal Decree 413/2014 of 6 June was published on 10 June 2014 to regulate electricity generating using renewable energy resources, co-generation and waste. This legislation was finally implemented by Ministerial Order IET 1045/2014 issued on 20 June 2014 and published in the Official Journal of the Spanish State (BOE) on 29 June 2014. This Order contains the final remuneration parameters applicable to all renewable energy facilities, whether already in existence or planned for the future. The new system established defines the remuneration of assets applicable under Royal Decree-Law 9/2013 as from 14 July 2013.

In accordance with Royal Decree 413/2014, the remuneration parameters for standard generating facilities may be reviewed at the end of each six-year regulatory period, except for the regulatory useful life of assets and the standard value of the initial investment (net present value or NPV). Meanwhile, estimated revenues from energy sales are reviewed at the end of each interim regulatory period lasting three years in relation to the specific renewable facility remuneration scheme. The first interim regulatory period ended on 31 December 2016.

Once the initial NPV and other parameters mentioned in RD 413/2014 have been determined, the remuneration of investments is obtained applying the methodology described in Annex VI of the Royal Decree[1] for the calculation of the compensation receivable by a standard facility so that the cash flows receivable by the asset's owner, discounted at the applicable rate, equal the NPV at the start of the interim period concerned.

Upper and lower limits are defined for this estimation in order to limit uncertainty with regard to the market price of power applied in the calculation of the remuneration parameters, which directly affects the remuneration obtained by a generating facility on sales of power. Where the annual average daily and intraday market price lies outside this range, a positive or negative balance is generated for the year, termed the market price deviation adjustment value, which is passed on through the NPV at the end of each interim regulatory period.

Once a facility reaches the end of its regulatory useful life, it ceases to qualify for remuneration of the investment or operating remuneration. Meanwhile, facilities reaching the fair profit threshold within their regulatory useful life receive zero investment remuneration.

The fair return principle enshrined in Royal Decree 413/2014 establishes a minimum remuneration target or floor, and it therefore does not establish any obligation to reimburse the compensation received where the profits obtained by a facility's owner exceed the target return, except in two specific cases:

- Where a standard facility reached the end of its regulatory life in the last interim period; or
- Where a facility ceases to qualify for the remuneration system before the end of its regulatory life.

In these cases, the maximum reimbursement would be equal to the balance of net negative adjustments generated during the interim period in which either of the aforementioned two circumstances occurred. Negative deviation adjustments arising before the start of the preceding interim period reduce the NPV of a facility, and they will therefore also reduce future compensation (or may even mean that no investment remuneration is payable where the NPV is zero) but they will not result in any obligation to reimburse amounts received.

In December 2016, the Spanish Ministry of Energy, Tourism and the Digital Agenda forwarded to the CNMC its proposed Order updating the remuneration parameters for renewables, cogeneration and waste generating facilities for the next interim regulatory period, 2017-2019. This Proposal revised pool projections for the period downwards and included adjustment values for market price variations from previous years, which are

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[1] *Methodology applied to calculate the net present value of the asset and the adjustment coefficient applicable to the standard facilities associated with generating plant qualifying for specific remuneration in accordance with article 12.*

set off over the remaining useful life of facilities where appropriate. On 22 February 2017, Order ETU/130/2017 of 17 February was published, establishing the final remuneration parameters for standard facilities applicable to certain renewable, cogeneration and waste generating plants in the interim regulatory period that began on 1 January 2017.

The main new legislation in 2019 consisted of the approval of Spanish Royal Decree-Law 17/2019 of 22 November, which adopted urgent measures required to adapt the remuneration parameters applicable in the electricity system and addressed the discontinuation of operations by thermal power plants. The main points affecting the Corporación Acciona Energías Renovables subgroup were as follows:

- The value of the reasonable return applicable to the specific remuneration system for the period 2020 - 2025 (inclusive) was updated (7.09%).

- The owners of facilities with premium remuneration at the time of the 2013 cutback were allowed to maintain the rate of return set in the first regulatory period (7.398%) until 2031, waiving the right to continue or initiate new legal or arbitration proceedings against the regulation, as well as any possible compensation arising as a result.

- The approval deadline for the Ministerial Order establishing the remuneration parameters was extended until 29 February 2020.

The first regulatory period ended on 31 December 2019. Meanwhile, Order TED/171/2020 was published on 28 February 2020, updating the standard facility remuneration parameters applicable to certain renewables, cogeneration and waste generating facilities in the next interim regulatory period (2020-2022) with backdated effects commencing as of 1 January 2020.

Royal Decree-Law 6/2022, of 29 March, adopting urgent measures within the framework of the Spanish National Plan in response to the economic and social impacts of the Ukraine war entered into force on 31 March 2022. 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. The remuneration parameters for the 2020-2022 interim regulatory period were established in Order TED/171/2020. Exceptionally, this Order split the interim regulatory period in two, the first part covering 2020 and 2021, and the second covering 2022 based on updated parameters, notwithstanding the review scheduled for the next interim period, running from 1 January 2023 until 31 December 2025.

In these circumstances, Ministerial Order TED/1232/2022 was finally published on 11 December 2022, updating the parameters for the calculation of the new remuneration applicable to investment and operations in 2022.

The main impact of this measure was to lower the investment and operating remuneration applicable to almost all regulated facilities in Spain, given the high pool prices obtained. The subgroup booked investment and operating remuneration earned as of 1 January 2022 in line with the draft parameters published, resulting in the recognition of a liability for the difference between the remuneration accruing under the new criteria and the amount actually settled by the CNMC. Following publication of the Ministerial Order, the CNMC proceeded to settle the differences arising between January and May 2023.

Meanwhile, the Spanish Ministry for the Ecological Transition and Demographic Challenge published a proposed Order on 28 December 2022 to update the remuneration parameters applicable to certain electricity generating plants, applicable as of the new interim regulatory period commencing 1 January 2023. This proposal would eliminate practically all investment remuneration for almost all of the generating plants operated by the CAER subgroup in Spain, mainly because of the high prices obtained on sales of power in 2022 and in view of the likely price trend in the interim regulatory period. Meanwhile, the primary impact on the subgroup's consolidated annual accounts at 31 December 2022 was to remove the cumulative liability recognised in respect of market price adjustments to the extent that a plant would not be demonstrably worse off outside the remuneration system than in it (see Note 3.2.O)). The impact of this measure was to cut regulatory remuneration by an estimated €75 million compared to the amount received in 2022.

Finally, 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 operating remuneration for the first and second halves of 2023 at facilities where operating costs depend fundamentally on said prices.

Ministerial Order TED/741/2023 of 30 June entered into force on 9 July 2023, updating the remuneration parameters applicable to the 2023-2025 interim period on the basis established in Royal Decree Law 5/2023 of 28 June discussed above, applicable as of the start of the interim regulatory period commencing 1 January 2023. In general terms, these measures had no material impact on the Group at 31 December 2023 although the Ministerial Order confirms the findings of the analysis carried out in relation to 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 consolidated annual accounts at 31 December 2023 of a liability for the cumulative adjustment of market price deviations associated with the facilities found most likely at the closing date to be adversely affected by ejection from the regulatory remuneration system (see Note 3.2.O to the consolidated annual accounts at 31 December 2022).

The amounts recognised in this respect at 31 December 2023 consisted of an €28.6 million increase in liabilities (see Note 22) and reductions of €28.6 and 29.8 million in net revenue and profit before tax respectively.

Over the course of 2021, the Spanish government adopted a raft of measures designed to mitigate the adverse effects of the surge in wholesale market prices. Spanish Royal Decree-Law 17/2021 published on 14 September 2021 established urgent measures to mitigate the impact of rising natural gas prices on the retail gas and electricity markets. RDL 17/2021 cut the remuneration of emission-free infra-marginal generating facilities, calculated as the differential between the mean natural gas price for the month concerned and a benchmark value of €20/MWh, applicable as of the entry into force of this statutory instrument on 31 March 2022. The cut excluded generating facilities located outside of mainland Spain, those included in any regulated

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remuneration framework (specific remuneration and the renewable energies financial regime or REER in the Spanish acronym), and facilities with net generating capacity of less than 10 MW. Certain consumer protection measures were also included.

Royal Decree-Law 23/2021 adopting urgent energy-related consumer protection measures and measures to ensure transparency in the wholesale electricity and natural gas markets came into force on 26 October 2021. In addition to extending and expanding consumer protection measures, this statutory instrument defines the scope of application of the mechanism established by the earlier RDL 17/2021 to limit over-remuneration of the electricity market due to the high price of natural gas. In accordance with RDL 23/2021 the cut in remuneration is not applicable to power generated under the terms of any forward contractual instrument setting a fixed price, provided that the contract was signed prior to the entry into force of RDL 17/2021, or thereafter if it covers a period of more than one year.

Royal Decree-Law 6/2022 published on 29 March subsequently extended the cut in the remuneration of electricity generating by plants using emissions-free technologies until 30 June 2022. It also amended the criteria for exemption from the cut where the power produced is subject to any fixed-price forward contractual instrument with a term of at least one year made prior to the publication of RDL 6/2022 and subsequent to RDL 17/2021, establishing a fixed price of €67/MWh or less (where the price is higher than this threshold, an adjusted cut in remuneration was applied, calculated based on a modulated formula applicable to the excess above the threshold value). Royal Decree-Law 11/2022 of 25 June and the subsequent Royal Decree 18/2022 successively extended the gas price clawback mechanism until 31 December 2023. Spanish Royal Decree-Law 8/2023 of 27 December finally brought this mechanism to a close.

For supervisory purposes, this statutory instrument also established the information required to support the existence of such forward contracts and exclusion from the mechanism for the cut in remuneration. This information was submitted to the Spanish National Markets and Competition Commission (CNMC) on a monthly basis. At the end of 2023, a review procedure was opened to examine the information submitted by Acciona Green Energy Developments, S.A., an affiliate of the CAER subgroup, in support of its exclusion from the gas clawback mechanism between 1 October 2021 and 31 March 2022. It is not expected that this review will raise any significant issues for the subgroup.

In addition to the aforementioned legislation, Law 15/2012 on tax measures for energy sustainability has applied since 2013 to all electricity generating facilities in Spain, including those owned and operated by the CAER subgroup. All of the generating facilities owned by the Corporación Acciona Energías Renovables subgroup were subject to value added tax on electricity applied at a rate of 7% on revenues from sales of power. Law 15/2012 also established a levy on the use of continental waters for electricity generating. This levy was charged at a rate of 22% on the economic value of the power produced, with a 90% rebate for plants generating less than 50 MW and pumping stations.

Spanish Royal Decree-Law 10/2017 of 9 June was published in the Official Journal of the Spanish State (BOE) on 10 June 2017, adopting urgent measures to alleviate the impact of drought on certain river basins and amending the consolidated text of the Spanish Water Act approved by Legislative Royal Decree 1/2001 of July 20, which among other measures amended the levy for the use of continental waters for electricity generating established by Law 15/2012. The new levy, applicable as of 10 June 2017, taxes the economic value of the electricity produced at 25.5%, providing a 92% rebate for generating facilities with output of less than 50 MW and a 90% rebate for pumping stations.

In 2021 the Spanish Supreme Court annulled certain provisions of Royal Decree 198/2015 issued pursuant to Law 15/2012, which retroactively extended the application of the levy on the use of continental waters to 2013 and 2014, at the same time ruling that settlements for the years from 2015 to 2020 were unlawful in those cases where there had been no prior review of the terms of administrative concessions for the use of water for hydroelectric generating. The Supreme Court's ruling further recognised the right of the operators affected to reimbursement of any amounts improperly paid plus arrears interest between late 2021 and early 2022.

Spanish Law 7/2022 of 8 April on waste products and soil contamination for a circular economy subsequently amended the regulation of the continental water levy, thereby removing the need for a review of concession terms as a requirement *sine qua non* for application of the water levy. The amendments took effect on 1 January 2023 and under similar conditions to those existing before its annulment by the Spanish courts.

Royal Decree-Law 29/2021 adopting urgent energy-related measures to foster electric mobility, self-consumption and the roll-out of renewables was approved on 21 December 2021. This Royal Decree-Law extended a series of tax measures established by RDL 12/2021 and RDL 17/2021 (basically comprising a reduced VAT rate of 10% and electricity duty of 0.5%, and discounts in the form of a social electricity rebate) until 30 April 2022, and it also temporarily suspended the Value Added Tax on Electricity Generating between 1 July 2021 and 31 March 2022, applying the mechanisms originally established by Royal Decree-Law 15/2018 of 5 October in relation to the earlier suspension of the tax applicable to the last quarter of 2018 and the first quarter of 2019.

Royal Decree-Law 6/2022 published in March 2022 established a new mechanism to finance the social electricity rebate and, among other provisions, it also extended the aforementioned measures until 30 June 2022. Meanwhile, Royal Decree-Law 11/2022 of 25 June again extended these measures until 31 December 2022. A further extension until 31 December 2023 was then established by Royal Decree-Law 20/22 and another until 30 June 2024 by Royal Decree-Law 8/2023.

Among other significant measures including confirmation that the gas clawback mechanism would not be extended beyond 31 December 2023, Royal Decree 8/2023 published on 27 December 2023 provided for the gradual reinstatement of the value added tax on electricity generating as of 1 January 2024, commencing with a reduced rate of 3.5% in the first quarter, progressing to 5.75% in the second quarter and returning to the general rate of 7% applicable as of 1 July 2024.

Practically all of the facilities owned and run by companies belonging to the CAER subgroup in the Spanish market operate freely, selling energy to the pool through Acciona Green Energy Developments, S.L., a CAER affiliate whose sole business consists of intermediation.

The Resolution of the Spanish Secretary of State for Energy published on 18 December 2015 laid down the criteria for participation in the provision of system adjustment services and approved certain test and operating procedures for implementation as per Royal Decree 413/2014 of 6 June regulating electricity generating activities using renewables, cogeneration and waste. This Resolution, applicable since 10 February 2016, allows renewable generating facilities to participate in the provision of system adjustment services and receive the related revenues, where considered eligible and provided that they pass the requisite qualifying tests established for each such service.

Since then, all of the CAER renewables assets have participated in the technical restrictions market. Furthermore, the subgroup began to participate in the tertiary regulation and deviation management markets in 2016, with a total of 3,372 MW of wind power authorised by Red Eléctrica de España (REE).

CNMC Circular 4/2019 published in November 2019 amended the remuneration methodology for the electricity system operator and the charges passed on to agents to finance said remuneration.

Royal Decree-Law 10/2022 of 13 May, which was published in the BOE on 14 May, established a temporary 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 implements the same arrangements so as to harmonise the reforms applied. In both cases the legislation, dubbed the "Iberian exception", establishes a cost adjustment mechanism application throughout the year following enactment with the aim of lowering the price of power by limiting the gas cost component embodied in the retail price of energy at any given moment. The benchmark price of gas resulting from this price limitation is €40/MWh for the first six months of the year, which was to be increased by €5/MWh per month for the remaining six months up to a ceiling of €70/MWh in the last month. Application of the mechanism commenced in the electricity markets on 14 June 2022 and continued until 31 May 2023. Meanwhile, Royal Decree 3/2023 of 28 March extended it until 31 December 2023, when it lapsed.

The market operator was responsible for settlement of the price adjustment mechanism in each trading session, and the cost was distributed among the Iberian electricity market members via their purchases of power. However, contributions to the mechanism depended on the level of each member's participation in the market measured in terms of power purchased. Meanwhile, purchasing units holding certain hedging instruments, mainly forward contracts made in the markets prior to 26 April 2022, were exempt from adjustment cost payments. The impact of the "Iberian exception" on the electricity trading activity in the Iberian market was immaterial in 2023 (€19 million in 2022).

Ministerial Order ETU/1133/2017 of November 21 was published in the Official Journal of the Spanish State on 23 November 2017, amending Order IET/2013/2013 of 31 October, which regulates the competitive mechanism for the allocation of the interruptibility demand management service which came into effect in 2018. This Order modified the availability service, reducing the application period to the first half of 2018 and excluding all hydroelectric facilities from its scope. Meanwhile, Order TEC/1366/2018 of 20 December established the power access tolls for 2019 and partially repealed the regulations governing the availability service, which was finally abolished in 2019.

Among other measures (temporary waiver of RECORE system remuneration by cogeneration plants, transportation grid capacity adjustments designed, in principle, to ease constraints on renewables, and other measures to improve procedures and speed up processing of renewables projects), Royal Decree-Law 17/2022 published on 20 September 2022 introduced a new active demand response product implemented via an improved balancing service based to some extent on the former interruptibility service.

On 24 January 2020, the CNMC published Circular 3/2020, which established the current calculation methodology for electricity transmission and distribution tolls, and removed the generating toll of 0.5 €/MWh existing up to that time.

Royal Decree-Law 23/2020 of 23 June, published in June 2020, approved energy-related and other measures to relaunch the economy following the COVID-19 pandemic. One of the key points of this statutory instrument is the boost it gave to renewable energies, laying the foundations for a new remuneration framework for future installed capacity based on competitive mechanisms to coexist with the current specific remuneration regime, which will eventually be phased out at the end of the regulatory life of the installed MW entitled to specific remuneration.

The secondary regulations implementing Royal Decree-Law 23/2020 were approved in late 2020. Royal Decree 960/2020 regulating the legal and economic regime applicable to renewable energy resources used by generating facilities based on the long-term recognition of an energy price was published in November 2020. Meanwhile, Ministerial Order TED/1161/2020 of 4 December regulated the first auction mechanism applicable to the economic regime for renewable energy resources and established an indicative auction schedule for the period 2020-2025. A minimum target of 3,000 MW was set for 2020.

The Resolution of the Spanish Directorate-General for Energy and Mining Policy of 26 January 2021 was published in the Official Journal of the Spanish State on 28 January 2021. This Resolution decided the first auction held to make awards under the economic regime for renewable energies pursuant to Order TED/1161/2020 of 4 December, resulting in the award of a nominal 106.6 MW of solar photovoltaic power to various affiliates of the subgroup.

The Resolution of the Spanish Secretary of State for Energy of 8 September 2021 containing the call for the second auction for awards under the economic regime for renewable energies pursuant to Ministerial Order TED/1161/2020, comprising a total of 3,300 MW, was published on 9 September 2021. The CAER subgroup did not take part in this auction.

On 30 December 2021 a public consultation process was opened in relation to the proposed Resolution of the Secretary of State for Energy to call a third auction involving awards totalling 500 MW under the economic regime for renewable energies.

The third and then a fourth auction were held in 2022, resulting in very limited capacity awards due to market conditions, which hampered the process in a context of soaring prices and acute uncertainty over the likely medium- and long-term trends. A total of 177 MW were awarded in the third auction out of the 520 MW initially tendered. The CAER subgroup was awarded a 29.9 MW biomass plant. In the fourth auction, only 45.5 MW out of an initial 3,300 MW were awarded. No auctions were held in 2023 within the framework of the mechanism to foster renewable generating.

Law 38/2022 published on 27 December 2022 established temporary taxes on the energy and banking industries. In the energy sector, the tax be will be levied in 2023 and 2024 at a rate of 1.2% of net revenues generated on business conducted in Spain in the immediately prior year, except revenues from regulated activities. The tax will be payable by the country's energy majors as ranked by the Spanish National Markets and Competition Commission (CNMC), unless they meet at least one of the following conditions:

- Net revenues were less than €1,000 million in 2019; or
- Net revenues earned on energy industry operations accounted for less than 50% of total net revenues in each of the years 2017, 2018 and 2019.

The fifth additional provision of Royal Decree-Law 8/2023 extended this *ad hoc* tax to 2024 under the same conditions and provided for a future review to prepare its future inclusion in the general tax system.

United States

The Renewable Portfolio Standard (RPS) is a market policy freely established by some US states which requires that a minimum proportion of the electricity supply should come from renewable resources. The percentages vary from state to state, but in most cases, they are between 20% and 30% of the power supply from 2020 to 2025. Implementation usually involves the use of Renewable Energy Credits (RECs), a system of tradeable certificates supporting the use of a renewable source per kWh of power. At the end of the year in question, electricity generating utilities must have sufficient certificates to cover their annual quota. Sanctions apply in the event of non-compliance.

Production Tax Credits (PTCs) award a tax deduction for power generated in the first 10 operating years, based on an amount per MWh adjusted annually based on the CPI (as regulated in the US "Energy Policy Act").

In 2005, Congress approved a 30% ITC (Investment Tax Credit) initially applicable to solar energy projects, although it would later be expanded to take in other technologies in the Bipartisan Budget Act of 2018.

Legislation adopted in 2009 allowed power companies with access to the PTC regime to receive ITCs in exchange, or alternatively, to receive a payment equal to 30% of their investment.

These tax incentives have always been subject to annual renewal, with the associated uncertainty, but in December 2015 a long-term extension of the PTC and ITC schemes was approved for both wind and solar photovoltaic power, involving a gradual decrease in the incentive. In the case of wind generating projects, which allowed the option to choose compensation through PTC or ITC, the PTC was to be reduced by 20% each year until 2020, ending with a 0% incentive, while the ITC was also progressively reduced on a similar basis until its elimination in 2020. In the case of solar PV energy, meanwhile, 30% of the ITC was maintained until 2020 (31 December 2019), whereafter it was progressively reduced and has finally been fixed at 10% after 2022. The milestone determining these timeframes is the start of construction.

In May 2016 the Internal Revenue Service (IRS) clarified what it understands by the "start of construction" for wind projects, which may mean either the "beginning of physical work" or a "safe harbour" represented by a certain minimum expense (5%). This matter was confirmed in the implementation guidance issued by the IRS in June 2018.

The possibility of receiving PTC or ITC was extended to wind technology in 2020. Qualification for a higher PTC value was permitted in 2020 ($15/MWh, representing 60% of the original amount) than in 2019 ($10/MWh or 40%), and a period of four years was once again allowed to commission the beneficiary facilities. Meanwhile, the ITC, which is eligible as an alternative to the PTC, would represent 18% of CAPEX for 2020 (40% of the 2016 value) instead of 12% in 2019 (60% of the 2016 value).

In order to help address construction delays caused by COVID-19, the IRS issued guidelines in 2020 allowing an additional year for construction projects begun in 2016 or 2017, thereby extending the deadline for commissioning from four to five years. Meanwhile, onshore and offshore wind projects will no longer be eligible for the PTC where construction commenced after 2021.

At the end of his Administration, President Trump signed the Consolidated Appropriations Act, 2021 on 27 December 2020, which extends the ITC and PTC schemes to 2021. For the wind business in general, the Act continues the programme under the conditions applicable for 2020 in 2021, while the gradual winding down of the ITC incentive, which started for 2020 projects, was extended to 2021 and 2022.

After more than a year of negotiations, the House of Representatives finally passed the Inflation Reduction Act (IRA). The IRA supports cuts in emissions via supply and demand side measures affecting practically all relevant market segments, including renewable generating, clean hydrogen, carbon capture and storage, efficient home improvement, electric vehicles and industry, among others. In the specific case of solar and wind power, the existing tax incentives have been extended to 2024 and may continue for even longer subject to the fulfilment of certain additional conditions at the local level.

Another tax benefit also exists in the form of the facility owner's right to benefit from accelerated depreciation applicable to most capital assets (Modified Accelerated Cost Recovery - MACR), allowing an average tax depreciation period of five years. This benefit has no expiration date.

Further progress was made with the development of policies to promote the use of energy storage technologies in 2019. The Federal Energy Regulatory Commission (FERC) issued Order 841 in 2018, which requires that all Regional Transmission Operators (RTOs) and Independent System Operators (ISOs) make changes to market rules to include energy storage as a part of all services. It also requires market operators to consider the physical and technical characteristics specific to storage units in market operations.

This order was transposed in the different markets in 2019. In December 2018, meanwhile, the six RTOs and ISOs presented proposals for compliance, setting out a broad range of options. The states also began to set storage targets in their climate and energy laws, and laws were also passed at the federal level, such as the 2019 Act establishing a research programme, a demo programme and a technical assistance programme.

On 22 April 2021, President Biden announced a raft of commitments to cut emissions by 50-52% of their 2005 levels throughout the economy by 2030; to ensure 100% emissions-free power by 2035; and to achieve a net zero emissions economy at the latest by 2050. As part of its return to the Paris Accords, the United States has undertaken to implement a plan to achieve the objectives set in the Agreement. These commitments are enshrined in a Presidential Order signed in November 2021.

In the same month, President Biden presented his Build Back Better (BBB) economic plan, promising to inject more than half a trillion dollars into the US energy transition and offering to extend tax credits that would benefit both wind and solar generating, and energy storage. This measure would cut the cost of new wind farms entering service in 2030 by between 14% and 40% depending on the region, and the cost of large scale new solar farms by between 36% and 52%. Energy storage plants would also qualify independently for the ITC programme. The plan aims to progress with the transition from fossil-based to clean energy, forging ahead with the goal of achieving a carbon-free energy industry by 2035 and decisively boosting investment in innovation to foster clean energy and combat climate change. The BBB bill has been held up by the opposition of a Democrat senator, however, who has expressed concerns about its cost and its impact on the federal budget deficit and inflation.

In December 2021, the Environmental Protection Agency (EPA) revised US greenhouse gas emissions standards for passenger cars and light trucks applicable to models built in 2023-2026.

Despite its name and the measures adopted in relation to issues other than the economy, such as health or social support, the thrust of the Inflation Reduction Act (IRA) is essentially to address climate change and it represents a sea change in US policy. The IRA offers legislative backing for the fight against climate change for the first time, bringing the USA closer to attaining 2030 emissions reduction targets, and at the same time it will provide a boost for renewable generating and its industrial value chain worldwide. The programme approved is largely instrumented via grants, soft loans and tax incentives targeting climate change for a total of some $750,000 million to 2030 ($369,000 million in direct aid and the rest in the form of loans). The climate-related objectives of the IRA are expected to take shape in a 42% cut in emissions (2005 vs 2030) compared to a an anticipated fall of around 26% before the Act was signed into law.

In February 2022, meanwhile, the Biden Administration extended the import duties on crystalline silicon photovoltaic modules, originally imposed by President Trump in 2018, for a further four years. However, this extension includes two substantial changes, which will significantly dilute the measure. These are (i) the decision to double the duty-free import quota (from 2.5 GW to 5 GW), and (ii) to exclude bifacial solar cells, which are the most widely used in large scale projects.

In June 2022, the White House published a Presidential Order under the Defense Production Act (which dates back to the post-WWII era and therefore does not require Congressional approval), allowing the Department of Energy to boost domestic production of key energy industry technologies, including transformers, electrical components and grids, heat pumps, insulation and electrolysers in order to speed up progress with the Administration's Clean Energy Agenda. Aside from its implications for US industry, the Presidential Order also establishes a 24-month moratorium on the application of duties of any kind on solar panels or tariffs on imports of solar cells and modules from Vietnam, Malaysia, Thailand or Cambodia (subject to investigation to identify possible imports of covert Chinese products), while maintaining sanctions on goods produced directly in China. This measure was enthusiastically received in the industry, as it will provide certainty with regard to the import of solar modules for the next 24 months.

Continuing with the regulatory implementation of the Inflation Reduction Act (IFRA), the US Treasury Department published its Investment Tax Credit (IVA) guidance under Section 48 of the Internal Revenue Code on 17 November 2023. This proposal clarifies various significant issues relating to the ITC, including in particular the eligibility criteria applicable to onshore and offshore wind projects, and to stand-alone energy storage facilities.
Renewable hydrogen regulation in the United States also received a significant boost in 2023. On 17 October the US Department of Energy announced a programme of investment of USD 7,000 million in seven Regional Clean Hydrogen Hubs (H2Hubs). Meanwhile on 22 December 2023, the Internal Revenue Service (IRS) and the Department of the Treasury published regulatory proposals relating to tax credits for the production of clean hydrogen under Section 45V of the Internal Revenue Code. These credits represent the main tax incentive for the production of clean hydrogen in the United States.

As part of the ongoing work of transmission development, the Grid Deployment Office (GDO) published definitive guidance for the designation of National Interest Electric Transmission Corridors (NIETC) on 19 December 2023 and opened a public consultation and recommendations process in relation to the designation of corridors. The GDO has announced a four-stage process to assist the Department of Energy with the independent identification of potential transmission corridors.

Mexico

Until December 2013, the generation, transmission, distribution and marketing of power was reserved exclusively to the Federal Government through the Federal Energy Commission (CFE in the official acronym). The only options for the sale of renewable energy were Independent Energy Production (electricity generating plants that sell their output directly to the CFE) or Self-Sufficiency Contracts (electricity generating plants that sell their production to a load centre plant owning a percentage interest in the generating plant).

On 18 December 2013, a constitutional reform introducing significant changes in the Mexican energy model was adopted, opening up the market and allowing greater private participation. However, the new Mexican Electricity Industry Act published on 11 August 2014 made a number of substantial changes in the electricity sector by reducing the role of the State in the industry, which was confined to operation of the system and to providing transmission and distribution services, imposing the legal separation of activities and creating a wholesale electricity market operated by the National Centre for Energy Control (CENACE) involving cost-based bids, and establishing a system of obligations for generating companies to be covered by Clean Energy Certificates (CECs). In addition, a system of auctions for Electricity Coverage Contracts was provided to ensure the power supply to Basic Services Users. Meanwhile, clean energy, power and CEC electricity coverage contracts are now assigned in Long-Term Auctions, although the Act envisages the continuity of existing contracts made under the previous legislation.

The first market bases were published in 2015, subject to review every 3 years. In January 2016, the Mexican Energy Secretary (SENER) published a resolution authorising operations to start in the short-term market in the different interconnected systems, and the National Centre for Energy Control commenced Day-Ahead Market (DAM) operations. To date, the DAM and the Real-Time Market (RTM) are still in the early stages of their operations, and the implementation of the hour-ahead market has not yet begun. Meanwhile, the Power Balancing Market was opened in February 2017, which determines the price that supports the previous year's capacity, volume and total amount. This is an annual ex-post market.

The first year in which CECs obligations applied was 2018, when certificates had to be delivered for up to 5% of the electricity sold. The CECs Requirements were published in March 2019 for the Obligation Periods 2020, 2021 and 2022 (7.4%, 10.9% and 13.9%, respectively), supplementing the requirement published in 2016 for 2019 (5.8%).

Three long-term auctions have been held to date, two in 2016 and one in 2017. The latter included a clearing house, potentially allowing the participation of suppliers other than the FEC. In 2018, CENACE announced the fourth long-term auction for the purchase and sale of energy, capacity and CECs, the first draft of which was published in March of that year. Meanwhile, the prequalification and registration of prospective buyers and the submission of prequalification applications for offers was completed in August 2018. With the inauguration of President Lopez Obrador in December 2018, however, it was announced that the auction would be suspended, and it was finally cancelled in January 2019.

Furthermore, the Executive announced that it would review contracts signed with private companies under previous auctions or other mechanisms and cancelled the development of key investments to improve the power transmission system at the national level. No new date has been set for an auction to date.

The last National Electricity System Development Programme (PRODESEN) published by the Energy Secretary for the period 2019-2033 anticipates that clean generating will account for 35% of total power by 2033.

A Decision was published on 28 October 2019, which amends the Guidelines establishing the criteria for the award of CECs to extend the possibility of issuing certificates to Federal Electricity Commission (CFE) power plants commissioned prior to the Legacy Power Plants (LEIs). This would ultimately allow several facilities owned by the subgroup to benefit from this right. However, this legislation risked causing a glut of CECs in the market due to the increase in the number of qualifying facilities. Several generating concerns therefore rejected the measure and lobbied for repeal. As a result, the regulation was suspended pending a final ruling.

Even so, the basic problem persisted, as the CFE could still generate certificates with its old power plants and therefore increase supply and reduce the demand for certificates, of which the CFE is the main consumer, exerting downward pressure on their price to almost zero. The measure affects both operational facilities and plants under development, as it substantially changes their revenue forecasts.

Using the COVID-19 crisis as an excuse, CENACE proposed a series of changes to enhance the reliability of the system on 29 April 2020, and a resolution was published suspending testing of new clean energy projects indefinitely (without reference to other technologies). Furthermore, the priority of manageable plants (mainly using fossil fuels) over renewable generation was guaranteed on the grounds of technical failures affecting the electricity system.

On 15 May 2020, the National Energy Department (SENER) published its Reliability, Safety, Continuity and Quality Policy for the National Electricity System, which limited the market share of renewable generating companies, discouraging the development of renewables because they are "intermittent". The direct impact was to delay 28 wind and photovoltaic plants planned for 2020 and 2021 in Mexico. The Supreme Court has issued an interim injunction suspending the Reliability Policy until a final decision is reached.

Similarly, at the end of May 2020, the Energy Regulatory Commission (CRE) increased transmission rates, a measure provisionally suspended by a Federal Court, leaving open a legal strategy for companies to claim the return of transmission benefits. Finally, the changes in porting fees were definitively challenged by Mexico's Economic Competition Commission (COFECE) and are currently suspended.

Both of the contested measures (reliability policy changes in portage fees) were eventually challenged by Mexico's Economic Competition Commission (COFECE) and are currently suspended. The industry is currently awaiting a final ruling at the date of preparation of these annual accounts.

The National Energy Department (SENER) and the Energy Regulatory Commission (CRE) have issued a series of regulatory instruments designed to provide a more active planning role for Mexico's National Electricity

System (SEN), prioritise power supplies via the Federal Energy Commission (CFE) and restrict access to national grids for intermittent renewable generating resources, among other matters. These regulatory changes have been challenged in the courts by interested parties, including private investors, non-profits and the public administration. While rulings have not yet been issued in the majority of cases, the courts have struck down some of the regulations at issue in various important decisions.

A proposal for a reform of the Mexican Electricity Industry Act were tabled on 9 March 2021 with the goal of strengthening the Federal Electricity Commission's position in the electricity market against private sector agents. The National Energy Department, the Energy Regulatory Commission and the National Centre for Energy Control (CENACE) will have a period of six months after the reform is approved to make the necessary changes to bring the regulatory framework for the electricity industry into line with the new legislation.

Only two days after the proposals were announced, however, the Mexican District Courts issued injunctions suspending the effects of any reform of the Electricity Industry Act. In the context of the applications for judicial review filed by various private companies, including Acciona's affiliates in Mexico, the interim measures adopted by the courts are intended to prevent any unfair competitive advantage or distortion of the market. Nevertheless, the interim measures do not mean that the reform of the Electricity Industry Act has been set aside, but merely that it will not take effect until the applications for judicial review have been resolved. The reform of the Electricity Industry Act will only be set aside in fact, if a supermajority of at least eight out of the 11 judges sitting on the Mexican Supreme Court of Justice (SCJN) find that it is unconstitutional.

The Supreme Court of Justice (SCJ) met in April 2022 to vote on the constitutionality or otherwise of the reform. Though there was no consensus with regard to the reform as a whole, separate votes on a number of individual issues produced clear majorities for the position that the measures concerned are unconstitutional. The results of these votes are not binding, insofar as the interim relief measures adopted against the reform of the Mexican Electricity Industry Act remain in force, but they offered a clue as to the likely position of the courts in judicial review proceedings.

In October 2022, the Mexican Supreme Court of Justice (SCJN) lifted the suspension imposed in February on the review and analysis of applications for judicial review of the changes made to the Electricity Industry Act. Accordingly, the examination and review of these cases may now proceed.

Mexico's President proposed the reform of articles 25, 27 and 28 of the Constitution to Congress on 30 September 2021, as follows:

i) The Federal Electricity Commission (CFE) will generate at least 54% of Mexico's power and the private sector up to 46%;
ii) The CRE and CNH will be subrogated to SENER;
iii) Generating and the power supply will be placed under the exclusive control of the State, but the CFE may purchase power from private generating utilities;
iv) Generating and self-supply permits will be cancelled;
v) Generating concerns operating under long-term auctions and "legitimate" self-supply facilities may sell power to the CFE on an exclusive basis, but they will no longer be permitted to market to private parties.

Since the proposed changes are a constitutional reform package, there are no deadlines for approval and the purpose of the announcement is to allow examination and debate for as long as necessary. However, adoption of the reform will require the votes in favour of at least two thirds of the members of the Congress of the Union (Chamber of Deputies and Senators) and the votes in favour of 50% or more of state congresses.

Debate continued in the early months of 2022 until the Constitutional Reform was finally put to the vote at a plenary session of the Chamber of Deputies in April. The reform obtained 275 votes in favour and 233 against, falling short of the 332 votes (two thirds of the Chamber) required for approval. As a consequence, the proposed reform may not be brought before the Chamber again during the present legislature.

Meanwhile, the Mexican government has created a National Emissions Register to record all emissions by the transport, electricity generating, house building, and oil and gas industries, industry in general, agriculture, waste management and land use. This Register is needed to ensure compliance with the objectives of the Paris Accords (Agenda 2030). Mexico plans to achieve carbon neutrality by 2050 based on data for the year 2000. The country has undertaken to cut its greenhouse gas emissions by 22% and black carbon emissions by 51% by 2030. Accordingly, it has been agreed that 35% of Mexico's power will be generated using clean technologies by 2024.

The General Administrative Provisions were published in the Official Journal of the Mexican Federation on 31 December 2021, setting out the criteria applicable to efficiency, quality, reliability, continuity, safety and sustainability of the national electricity system in the Grid Code ("Grid Code 2.0"). This document makes a number of important changes and modifies the order of technologies restricted by the National Centre for Energy Control (CENACE) on reliability grounds, placing power plants undergoing trials in the first place followed by (intermittent) renewables, while relegating thermal generating to fourth place.

As a result of the new order of priority established in Grid Code 2.0, constraints due to the reliability of renewable generating plant increased significantly in the early months of 2022. However, one Mexican electricity industry operator successfully sought a Definitive Suspension applicable to the industry in general in judicial review proceedings brought against Grid Code 2.0, and the court ordered CENACE to cease application of the new regulatory systems and return to the conditions regulated in the previous grid code. The Mexican Energy Association ("AME"), of which ACCIONA is a member, also successfully applied for a Definitive Suspension in an application filed against the new grid code.

Meanwhile, operation of the Emissions Trading System has provided Mexico with a market instrument designed to cut emissions of greenhouse gases, as required by the General Climate Change Act and the Paris Accords. The system is based on the cap and trade principle, setting limits on the total allowable emissions of different industries and requiring annual reductions. An initial test period was scheduled to run until 31 December 2022, but this was extended in 2023 pending final definition of the rules under which the system will operate. As announced by the Mexican government, the Emissions Trading System will be implemented in two phases, the first running from 2024 to 2026 and the second from 2027 to 2030. The Mexican Department of the Environment and Natural Resources (SEMARNAT in the official acronym) will assign emission rights to plants producing emissions of more than 100,000 tonnes of CO_2 per annum in the hydrocarbons, electricity generating, automotive, cement, chemicals, food and drinks processing and glass making industries. The plants subject to the system will be required to deliver rights for all emissions but will be permitted to trade rights and purchase offset credits from other projects to cover their total emissions volume.

Chile

Chile amended Law 20.257 (Non-Conventional Renewable Energy Act) of 2008 through Law 20.698 (Law 20/25) in 2013 and established a renewables target equal to 20% of total power generated to be achieved by 2025. Electricity utilities must show that a percentage of the power drawn from the system comes from technologies of this type. The Act also imposes a penalty of 0.4 UTM (approximately USD 32) per unsupported MWh for breaches of this obligation, rising to 0.6 UTM/MWh (approximately USD 48) if an operator again fails to comply in the three years following the first infringement. Meanwhile, any companies injecting renewable power in excess of their obligation may transfer the surplus to other companies. However, no green certificates market has been established, although interested parties may make bilateral contracts and transfers are certified through authorised copies of such agreements.

To achieve the target set, Chilean Law 20/25 also introduced annual auctions based on Government demand forecasts for the next three years. The option to bid in differentiated blocks (Block A for the night, Block B during solar hours, and Block C for the remaining hours of the day) in these auctions facilitates the participation of renewables.

An Exempted Resolution published in April 2016 approved the preliminary tender report which established the regulated consumption values (in GWh-year) to be put out to tender in the next few years. The volumes included a decrease in the energy demand forecast of approximately 10% between 2021 and 2041, which resulted in a significant reduction in the power auctioned that year (from an expected figure of 13,750 GWh to approximately 12,500 GWh).

The Chilean Government's objective for these auctions is to encourage power distribution companies to enter into long-term supply contracts extending over 20 years as from 2024, in order to meet demand from customers subject to price regulation. Four years on from 2017 (the year of the last auction held in Chile), a new reverse auction of power supply contracts was held in September 2021. All of the winning projects use renewable assets and power storage facilities. The weighted average auction price fell by 27% to USD 23.8/MWh from USD 32.5/MWh in the last auction, setting a new record low for Chile. Acciona was not awarded any projects in this auction.

The Chilean Transmission Act published in July 2016 established a new electrical power transmission system and created a single independent coordinating entity for the national electricity system. Work on the associated regulations began after the Transmission Law was approved.

In 2017, the regulation to implement a tax on CO2 emissions was approved (Exempted Resolution 659), which requires all generating companies, including non-polluting operators, to make compensation payments.

The Ancillary Services Regulation and the Coordination and Operation of the National Electricity System Regulation were withdrawn from scrutiny by the Office of the Comptroller in 2018, delaying the approval process. In January 2018, meanwhile, the Chilean Government announced that the country would not build new coal-fired power plants without carbon capture and started discussions to replace existing capacity with cleaner energy sources.

After the outbreak of rioting in October 2019 and the resulting economic and political impacts, the Chilean government approved a freeze on electricity prices through a transitional mechanism to stabilise electricity prices for customers subject to tariff regulation (Law No. 21.185 of 2/11/2019). This affects both public service distribution concession holders, who can now only pass on pre-determined prices to regulated customers, and the generating companies supplying them, who are subject to the application of an adjustment factor for a transitional period.

A proposal was tabled in 2021 to modify the calculation of sufficiency power and to amend the regulations establishing the methodologies, procedures and criteria applicable to determine transfers of power resulting from operational coordination as provided in article 72.1 of Chile's General Electricity Services Act. The main regulatory changes proposed comprise penalty identification of solar photovoltaic farms lacking storage facilities, action to foster storage using systems like batteries and pumping stations, and recognition of battery installations as renewable plant. This regulation is currently under review but the process has been held up by the huge volume of comments and observations received.

The Chilean Congress examined the Electricity Portability Bill in 2021, a legislative initiative that would amend the General Electricity Services Act in order to include a new power marketing entity in the country's electricity market so as to foster competition. This entity would be allowed to purchase blocks of power from generating utilities and sell them on as sub-blocks to regulated customers at lower prices than offered by distribution companies. The Portability Bill has now been brought before the Chamber of Deputies, but no urgent debate has been scheduled and there has been no further progress recently. It is expected that the bill will continue its passage through the legislative process until approval sometime in 2023, and that the new marketing entity will be able to commence its energy purchasing and marketing activity in the regulated market in 2024. Only unregulated customers are currently able to choose their power suppliers.

As a result of the continued drought affecting Chile, the Ministry of Energy successively extended the term of the Decree to prevent rationing in the first half of 2022 in view of the shortfall in hydroelectric power in the electricity system. The principal measures adopted centralise the management of diesel procurement volumes, strengthen control over the operation of diesel generators in the electricity system and impoundment hydroelectric generating facilities in order to guarantee the availability of water reserves for 650 GWh at all times.

The Chilean government passed a Climate Change Act towards the end of the first semester, which has the attainment of emissions neutrality in the country at the latest by 2050 as one of its primary objectives. The effort to achieve this target will be led by the Environment Ministry with the support of the Energy Ministry, which will chair the stakeholder advisory board formed to identify the specific measures required.

In July 2022, the Chilean government adopted a new mechanism to extend existing support for regulated customers (until 2032) in order to avoid an automatic price hike of around 40% if the relevant measures are allowed to lapse. The decision to freeze regulated electricity prices was originally adopted in the wake of social unrest in 2019 and was financed by the regulated generating utilities up to a total of $1,350 million or until July 2023. However, the COVID pandemic, the Ukraine war, CLP/USD exchange rate difficulties and the wider context of rising inflation exhausted the initial funding volume one year before the expiration of the scheme. The new mechanism will set preferential prices for regulated customers, which will be financed out of additional charges applied to both unregulated and regulated customers, as well as contributions of government funds (tax revenues and bank borrowings).

A public consultation process was launched in 2022 in connection with the Technical Regulation for the Coordination and Operation of the Chilean National Electricity System, specifically to determine the treatment of storage facilities. The renewables segment favoured operation of storage capacity by the facility proprietor in order to optimise processes while guaranteeing the safety of the system at all times.

The Minister of Energy addressed the Chilean Chamber of Deputies in October 2022 to present the four main planks of the government's legislative agenda and strengthen renewables commitments:

- Renewables Prioritisation Bill ("Quotas Law"). This legislation aims at least to double the share of renewables from 20% to 40%, or even as much as 60%, by 2030.
- Storage. This is a key issue for the integration of renewables and efforts to cut power dumping, and it is also closely bound up with efforts to foster the uptake of electric vehicles. In this regard, the Chilean Senate has already passed the Renewable Energy Storage Bill, which will now be sent to the Lower Chamber.
- Measures to strengthen and expand the transportation grid and achieve active grid management efficiency gains, which will be essential to cut the frequency of renewable power dumping by transferring surplus renewable energy from northern to central Chile.

- Renewable hydrogen. Measures to increase electrolysis capacity to 25 GW by 2030. A new National Green Hydrogen Strategy is to be drawn up to achieve this target.

In order to progress with the Chilean energy transition and resolve the grave problems affecting the current design of the Chilean electricity market, the Ministry of Energy published its proposed Initial Second Phase Energy Transition Agenda on 17 April 2023 setting out its draft legislative proposals. The Agenda contains ten short- and medium-term measures to enable and accelerate decarbonisation in the electricity industry.

The Senate Energy Commission approved the draft Law on 30 November 2023, which was then passed by a unanimous vote of the Chilean Senate on 19 December 2023. The bill is now awaiting final asset from the Senate chamber. In this connection, the Senators have demanded the implementation of subsidies, linking the debate on the Energy Transition bill to their approval. The subsidies in question amount to USD 120 million, but the Chilean Finance Minister has offered only USD 20 million, indicating that the remainder will have to come from Tariff Income (TI). However, it is not clear that it will be possible to generate TI revenues of USD 100 million and the government will therefore have to guarantee financing of the remainder to expedite the passage of the legislation.

In the context of the Energy Transition bill, it has also been proposed to reallocate Tariff Income on an extraordinary basis to any generating companies losing revenues as a result of price differentials between the different regions of Chile, which could mitigate adverse impacts for the country's renewables operators.

Australia

The Renewable Energy (Electricity) Act 2000 (Cth) was intended to foster renewable generating and created a scheme for renewable energy certification. The Renewable Energy Target (RET) established by the Government of Australia is designed to cut greenhouse gas emissions in the electricity industry and to foster renewable generating. The scheme requires electricity marketing companies to obtain renewable energy certificates, which can be created by renewable generating companies. It has two components, namely the *Large-scale Renewable Energy Target* and the *Small-scale Renewable Energy Target*.

The Renewable Energy (Electricity) Amendment Bill 2015 approved in June 2015 stabilised the green certificates system, setting the Renewable Energy Target (RET) at 33,000 GWh in 2020 and extending the period between target reviews from two to four years.

The RET scheme is designed to foster additional electricity generating from renewable sources to reduce greenhouse gas emissions in the electricity sector and it consists of two sub-schemes: the Large-scale Renewable Energy Target and the Small-scale Renewable Energy Target. In the case of the Large-scale Renewable Energy Target, the regulator has reported that there are sufficient approved projects to meet and exceed the 2020 target of 33,000 GWh of additional renewable electricity. This target expired in 2020 but the 33,000 GWh threshold will remain in place until the plan ends in 2030 so that certificates can continue to be used. The Small-scale Renewable Energy Target scheme will also end in 2030.

In March 2017, the State of South Australia launched the SA Energy Plan, which mentions battery storage among fundable renewable technologies and aims to provide large-scale storage for renewable energy. In April of the same year, the Clean Energy Council published a recommendations report to eliminate regulatory barriers to storage and to improve the security of the network ("Policy and regulatory reforms to unlock the potential of energy storage in Australia"), and in August the Victoria Government announced a renewable energy auction of 650MW under the Victorian Renewable Energy Auction Scheme (VREAS) to achieve the Victorian Renewable Energy Target (VRET) of 40% of renewable energy by 2025.

In October 2017, the Australian government announced the National Energy Guarantee (NEG) scheme to replace the current CET after 2020. Key aspects of this scheme include i) the Reliability Guarantee (requiring electricity retailers to contract a certain amount of "dispatchable" coal, gas, hydroelectric and stored power); and (ii) the Emissions Guarantee (requiring retailers to reach an emissions intensity level in their energy portfolio that supports Australia's commitment to reduce emissions by 26% by 2030). The Energy Security Board published a document on the design of the NEG, which was presented at the Energy Council meeting in April 2018. However, Australia would later suspend the bill containing the NEG emissions reduction target.

Australia's transmission and distribution grids are monopolies, and revenues and prices are regulated by the Australian Energy Regulator (AER), in accordance with the National Electricity Law (NEL) and the National Electricity Rules (NER). All electricity generating concerns have the right to connect to transmission and distribution grids under the terms and conditions established by the grid services provider. After connection to the transmission and distribution grids, however, there is no guarantee for generators that their power will be dispatched. Hence, power generated by operators in areas where the grid is weak or congested may not be dispatched due to system limitations or requirements.

The NER requires the Australian Energy Market Operator (AEMO) and the providers of transmission grid services to plan investments in the grid based on their analysis of investment time horizons. Some state governments have approved legislation allowing them to sidestep the national regulatory framework, resulting in the creation of "renewable energy zones" or REZs involving rapid, better coordinated investments in transmission. The REZs are also "renewable development zones", linking multiple renewable generating and energy storage companies together at the same locations and connecting them to the transmission grid. In October 2019, the Commonwealth government announced a "grid reliability fund" of AUD 1,000 million to be administered by the Clean Energy Finance Corporation (CEFC), which provides investment for energy storage and grid infrastructure projects, and for grid stabilisation technologies.

Victoria's Labour Government, elected in November 2018, promised to increase the state's renewables target to 50% by 2030, based on the already legislated target of 40% by 2025. In this regard, the Renewable Energy (Jobs and Investment) Amendment Bill 2019 (Vic) approved on 30 October 2019 enshrined the VRET 2030 target in law. In the absence of a federal renewable target beyond 2020, investment will continue to be driven by the states.

In 2022 the Energy Security Board (ESB), which is the body responsible for coordinating Australia's energy reforms, began the work of drafting regulations and mechanisms in the area of grid access to ensure effective management of congestion, as well as designing capacity management mechanisms. Linked with these proposals, further progress was made with the reconfiguration of the generating mix in 2022, a process that involved setting new renewables targets and bringing forward the closure of power plants burning fossil fuels (mainly coal). The latter initiative has obliged the Australian States to speed up the development of new renewable capacity, storage systems and major transportation infrastructure to strengthen interconnections between systems.

At the end of 2022, the Australian government announced that it would intensify its efforts to ensure the development of renewables and reduce emissions. This initiative was seconded by several states, including the State of Victoria, which raised its renewables target to 95% by 2035, creating its own government-owned renewables corporation, the State Electricity Commission of Victoria, to press ahead with 4.5 GW of clean energy projects. The plans resulted in a major reallocation (AUD 478 million) of the climate change budget, which had been earmarked by the previous state government for programmes to foster mostly gas-based projects, and a commitment was made to cut emissions in industries like steel, aviation and agriculture by at least 50% by 2035, increasing support for research in areas such as green hydrogen and carbon capture and storage to that end.

Meanwhile, the Climate Council proposed reassigning existing fossil fuels subsidies (worth AUD 11,600 million in 2021) to the development of rooftop PHV power, hydraulic pumping, storage, public power transport and EV charging stations.

Based on current policies, Australia will achieve only a 60-70% renewables share in national electricity generating by 2030, which is significantly less than the 82% target set. To accomplish this ambitious objective, the Federal Government has proposed new regulatory measures.

In the first place, the Department of Climate Change, Environment and Water has proposed a new system for Renewable Energy Guarantees of Origin (REGO), which will take effect in 2025 and will exist side-by-side with the existing RET system until the end of 2030. The new system will cover all electricity generating utilities currently covered by large-scale generation certificates (LGCs), and it will include power exported abroad, power generated by small-scale PV plants and renewable power for energy storage plants.

Finally, the Australian government announced the expansion of its Capacity Investment Scheme (CIS) in November 2023 to support the creation of 9 GW of clean dispatchable capacity and 23 GW of new renewables capacity by 2030, representing an increase of 3 GW dispatchable capacity and 6 GW of renewables capacity compared to the levels established to date. Financial support for the CIS projects selected will be provided via CfDs using caps and floors to ensure agreed minimum and maximum revenues.

ACCIONA, S.A. AND SUBSIDIARIES
(CONSOLIDATED GROUP)
2023 DIRECTORS' REPORT

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

- **Energy:** instrumented through the majority shareholding in Corporación Acciona Energías Renovables, S.A. (CAER or Acciona Energía). This business 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.

- **Nordex**: In March 2023, Acciona increased its interest in Nordex SE to 47.08%, thereby taking control of the Nordex group, which is now fully consolidated. In accordance with IFRS 8, the Acciona Group treats Nordex SE as an operating segment subject to separate reporting (see Notes 2 and 28). Nordex' principal activity is the design, development, manufacture, sale and subsequent operation and maintenance of wind turbines and turbine components.

- **Infrastructure** activities are as follows:

- *Construction:* infrastructure construction and turnkey (EPC) projects for power plants and other facilities.
- *Water:* activities include 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 after use. The Group also operates service concessions across the whole of the water cycle.
- *Concessions:* operation mainly of transport and hospital concessions.
- *Urban and Environmental Services:* primarily delivery of Citizen Services.

- **Other Activities:** fund management and stock broking services, real estate, manufacture of electric vehicles, motorbike sharing, museum interior design and provision of other services like facility management and airport handling.

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.

Executive Summary

Period highlights

ACCIONA's revenues increased by 52.0% year-on-year to €17,021 million, driven by the Infrastructure division, which saw revenue growth of +28% to set a historic record of €7,723 million. However, EBITDA fell by 4.2% to €1,981 million as a result of the sharp fall in the Generation business in Spain (-41.1%). Earnings before taxes totalled €819 million, a 5.8% drop versus 2022, while net profits grew by 22.6%, to €541 million.

These results also reflect the change in the consolidation method applied to the 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%, and the increase in the Company's ownership interest in Renomar, which owns 494 MW of wind farms in Spain, from 50% to 75%, resulting in the acquisition of control full consolidation on 1 May 2023. These two first consolidations generated aggregate gains of €405 million in 2023.

Meanwhile, **Acciona Energía** sharply increased growth in 2023 in line with its strategic objectives, installing a total 1.7 GW of new capacity, a historic high, and achieving 9% growth in production compared to 2022, while the operational environment improved substantially due to the normalisation of global supply chains.

- ACCIONA Energía's 2023 results reflect the progressive normalisation of energy prices, especially in Spain, although they remain higher than in the period before the energy crisis first hit. Price impacts were to some extent mitigated by price hedges, production from newly commissioned assets and growth in the results reported by the International division, however. The impact of lower pool prices in Spain was accentuated by the *ad hoc* amendment of the remuneration parameters applicable for the 2023-25 interim regulatory period in July 2023.

- Acciona Energía's revenues totalled €3,547 million in 2023, comprising Generation revenues of €1,851 million and other revenues of €1,696 million, mainly contributed by the Supply activity in Spain and Portugal. Annual *EBITDA* was €1,285 million and *Net attributable profit* was €524 million.

- The company raised its equity interest in Renomar, owner of 494 MW of wind power capacity operated by Acciona Energía, in the second quarter of the year in what was seen as an attractive deal in both strategic and financial terms. The increase in the interest held from 50% to 75% of share capital and consequent acquisition of control resulted in full consolidation of the target (formerly accounted for using the equity method) as of 1 May 2023 and the recognition of a capital gain of €145 million, which was recognised in consolidated profit and loss in the first half of the year.

- The Acciona Energía group's total installed capacity rose to 13,523 MW, representing a net increase of 1.7 GW over the year as a whole.

- Consolidated installed capacity increased to 12,131 MW, representing growth of 2,247 MW in 2023. The installation of new assets accounted for a total of 1,701 MW, while changes in the consolidation perimeter, mainly comprising Renomar and, to a lesser extent, full consolidation of the Moura PV plant in Portugal (46 MW) added 539 MW to consolidated capacity. The company also increased its stakes in two projects in Canada, adding 10 MW , but disposed of 3 MW in the USA.

- The company had 1,577 MW under construction at 31 December 2023, mainly in Australia (MacIntyre and Aldoga), North America (Forty Mile and Red Tailed Hawk) and the Dominican Republic (Cotoperi).

- The group's total production grew by 4.1% to 24,894 GWh thanks to the contribution from new assets commissioned during the year, despite generally low resource and rising curtailments. Consolidated

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

production grew by 9.0% to reach 21,433 GWh, representing a fall of 0.5% overall, dipping in Spain but with a small improvement in International.

- The average generation price was €86.4/MWh.

- Generation revenues in Spain totalled €1,105 million, while International revenues grew to €746 million. Revenues in Supply & Other Activities amounted to €1,696 million as consequence of lower prices in the Iberian market.

- Group EBITDA was €1,285 million in 2023, while the contribution from International Generation rose by 37.3% to €547 million.

- In Spain total EBITDA fell to €739 million compared to €1,255 million in 2022. Generation EBITDA amounted to €749 million, while consolidated production grew by 9.4% to 10,146 GWh thanks to the contribution from Renomar, which offset the exceptionally low level of energy resource. The total average price obtained by the company in 2023 was €108.9/MWh versus €167.6/MWh in 2022. This fall is explained mainly by the decline in the average pool price to €87.1/MWh from an average €167.5/MWh in 2022.

    - The average price obtained on market energy sales was €84.4/MWh.
    - Hedging increased the average price obtained by €20.9/MWh, while in 2022 it reduced the average price by €17.8/MWh.
    - The average market sale price adjusted for hedges was €105.4/MWh, compared to the market benchmark of €87.1/MWh.
    - Regulated revenues contributed only marginally to the average price under the new parameters established for the 2023-25 interim regulatory period, adding just €1.1/MWh to the average price.
    - The aggregate effect of the regulatory banding mechanism was €2.5/MWh.

- The International business grew EBITDA by 37.3% to €547 million based on rising revenues and the non-recurrence of the impairment recognised in respect of the Moura plant in 2022 (when it was accounted for using the equity method) following the end of regulated tariffs in Portugal. Consolidated production totalled 11,287 GWh, representing growth of 8.8% driven by the contribution from new assets. The average price of €66.1/MWh was in line with the prior year, as the higher prices obtained by assets situated in the Americas offset falling prices in Australia, the Rest of Europe and the Rest of the World.

- A capital gain of €145m was recognised in the income statement upon the acquisition of control over Renomar. The positive results from changes in the value of certain energy supply contracts (PPAs and long-term hedges) also contributed income of €9 million compared to the loss of €64 million incurred in the previous year. These amounts reflect the fall in market electricity prices. Financial expenses increased by €31 million to €156 million due to growth in average net financial debt and the rising cost of borrowing. A significant part of this incremental debt is linked to investments in progress, allowing capitalisation of the related financial expense.

- Net investment cash flow was €2,321 million in 2023, almost twice the total investment made in the prior year (€1,279 million), reflecting the acceleration of construction activity and new project capex, as well as the delay monetising 30% of the MacIntyre wind farm in Australia, which is now expected in 2024. Investment has largely focused on Australia (construction of the MacIntyre wind farm), the United States (construction of four solar PV plants and payment of the acquisition price for the Cunningham battery energy storage project) and elsewhere in North and South America (San Juan de Marcona, Calabaza, Forty Mile). Period investment also includes the purchase of an additional stake in Renomar.

- On 27 August 2023 the company announced a share buy-back programme involving a maximum 4,938,759 shares representing around 1.5% of capital at that date. The maximum monetary value of the programme was €172,856,565. The programme had been 50.88% completed at 31 December 2023 with 2,523,000 shares bought back at an average price of €25.769 for a cumulative investment of ~c.€65 million.

- Net Financial Debt totalled €3,726 million compared to €2,021 million at 31 December 2022, reflecting the major investments made during the year and the payment of the annual dividend, which was partially financed out of operating cash flow.

- As regards key ESG indicators referring to the environment, the Company has kept 100% of CAPEX aligned with the European taxonomy of sustainable activities. Scope 1 and 2 emissions increased by 17% in 2023 due to changes in the criteria applicable to the recognition of fleet vehicle emissions, which were formerly included in Scope 3. Despite this increment, however, emissions remain well below the SBTi target pathway (-68%). Turning to social indicators, a fatal accident occurred at the El Cabrito wind farm (Spain) in June and an operation and maintenance worker was killed. Meanwhile, the number of women in management and executive positions increased to 27% of the total following the launch of new 50:50 projects to drive recruitment and the adoption of various leadership and mentoring initiatives to foster the development of female talent. In the governance area, 14 matters were reported through the whistleblower channel and a raft of measures were adopted to strengthen business partner and supplier due diligence. As a result, 100% of strategic suppliers were audited and 172 partner due diligence processes were carried out. Finally, as regards sustainable finance, the ACCIONA Group has published its new Sustainable Financing Framework, which also applies to ACCIONA Energía.

Revenues in the **Infrastructure** division (which includes the construction, concessions, water and urban & environmental services activities) increased by 28.4% over the year as a whole to reach a total of €7,723 million, driven in particular by strong revenue growth in Australia, Chile, the United Kingdom and Brazil. EBITDA increased by 49.3% to €551 million due to higher production, better margins in all activities, especially international construction, and growth in the contribution from concessions. The Infrastructure backlog set a new record, reaching a historic high of €24,508 million, following the award of new projects worth €9,409 million in 2023.

- Within the Infrastructure division, **Construction** revenues increased by 38.2% to €6,301 million while EBITDA grew by 63.0% to €370 million resulting in an EBITDA margin of 5.90% versus 5.0% in 2022. This improvement in returns was driven by the margins associated with output growth, machinery intensive projects (which command a higher EBITDA margin) and the terms of project agreements, which contributed to improved results. By country, the largest contributors to Construction revenues were Australia (41%), Spain (15%) and Brazil (9%).

- The 2023 results reported by the **Concessions** activity (net income of €50 million and EBITDA of €67 million) reflect strong year-on-year growth (+80.8% in EBITDA) due to the progress of construction work on the Line 6 metro project in São Paulo, Brazil.

- The **Water** activity generated revenues of €1,214 million and EBITDA of €95 million in 2023, raising the EBITDA margin to 7.8% compared to 7% in 2022. This improvement was due to the higher share of revenues represented by Operation & Maintenance activities.

- Revenues from **Urban & Environmental Services** totalled €165 million, 11.6% more than in 2022, while EBITDA was €18 million, an increase of 18.2%. The EBITDA margin was 11.0% versus 10.4% in the prior year.

The total **Infrastructure backlog** at 31 December 2023 reached a new all-time high of €24,508 million (or €34,050 million including equity-accounted projects) driven by the award of new projects worth €9,409 million over the course of the year. Key awards in 2023 comprised the contracts for construction of the M80 Melbourne ring road (North East Link Secondary Package) and the Humelink power distribution and transmission system, both in Australia, and the contract to build the L'Eau de Mer desalination plant in Casablanca, Morocco. Australia and Southeast Asia account for 33% of Infrastructure backlog by geographical region, followed by Latin America (27%), Spain (20%), Rest of Europe, Africa and Middle East (16%) and North America (3%).

The Infrastructure division also had additional contracts awarded but not yet signed worth €4,599 million at 31 December 2023, the majority of them related with projects in Australia (Central West Orana power transmission line and the Alkimos desalination plant in Perth) and the United States (I-10 highway in Louisiana).

Nordex was fully consolidated for the first time on 1 April 2023 and performed in general as expected over the course of the year. Growth in installations drove a 14.0% increase in sales to €6,489 million in 2023, and EBITDA finally reached breakeven at €2.0 million compared to negative EBITDA of €244 million incurred in 2022. As a result, the EBITDA margin rose to 0.0% compared to a margin of -4.3% in the prior year.

Nordex installed a total of 1,429 wind turbines in 24 countries with a total generation capacity of 7.3 GW in 2023 versus 1,129 turbines in 19 countries with a capacity of 5.2 GW in 2022. Europe accounted for 63% of installations in Europe (in terms of MW), followed by Latin America (24%), the Rest of the World (7%) and North America (6%).

Nordex received orders for 1,270 wind turbine units representing 7,358 MW of nominal aggregate capacity worth a total €6,211 million versus €5,344 million in 2022, an increase of 16%. Meanwhile, orders received by the Services segment amounted to €924 million (€677 million in 2022).

Finally, the total backlog increased by 7.6% to €10,537 million. The Projects segment (wind turbines) accounted for €6,911 million out of this amount, representing +5.7% growth year-on-year, while the Services segment made up the remaining €3,626 million (€3,256 million).

Revenues from **Other Activities** increased by 2.8% year-on-year to €1,216 million in 2023, while EBITDA dropped to €54 million from €73 million in 2022.

- **Real Estate** revenues and EBITDA both fell compared to 2022 due to the larger share of Poland in the product mix, which depressed the average sale price of homes delivered in 2023. Gross Asset Value at 31 December 2023 was €1,805 million, 17.1% higher than GAV at 31 December 2022.

- **Bestinver** experienced a 5% drop in revenues and a 23% fall in EBITDA year-on-year driven by the decrease in average assets under management, which shrank by 4.9% compared to 2022. However, assets under management at 31 December 2023 amounted to €5,919 million, 15.7% more than at 31 December 2022.

- **Corporate and Other Activities** include businesses such as urban electric mobility, airport handling, facility services and Acciona Culture. 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:

Earnings before tax totalled €819 million. This 5.8% fall versus 2022 is explained by the 28.5% decrease in EBT reported by ACCIONA Energía, which was adversely impacted by the significantly lower average prices achieved. Group EBT includes the aggregate positive impact and gains of €405 million generated by full consolidation of Nordex and Renomar following the acquisition of additional stakes in these two subsidiaries, which allowed Acciona to take control of both.

Acciona's **attributed net profit** was €541 million, a 22.6% increase versus 2022.

Acciona's **net financial debt** (including IFRS 16) totalled €6,551 million at 31 December 2023, an increase of €1,298 million compared to 31 December 2022. This increment was mainly driven by the major capex investments made in 2023, which totalled €3,327 million compared to €2,004 million in 2022 (+66%). This capex comprised €2,321 million invested by Acciona Energía (82% more than in 2022), €267 million invested in Infrastructure (+10%), €376 million in Nordex (comprising a €275 million loan granted by Acciona, which was subsequently capitalised, and €101 million of own funds invested by Nordex), €158 million in Other Activities and €205 million in Real Estate inventories.

Significant progress was made with **sustainability** in 2023. Turning to social matters, the headcount increased by 26.0% and, at the same time, more women were recruited to fill executive and management posts, raising the proportion of female managers to 22.6% overall. This represents an increase of 0.45% compared to 2022.

With regard to **environmental issues**, the proportion of eligible CAPEX aligned with the taxonomy increased slightly to 99%, although the amount invested actually grew significantly compared to 2022. This growth was basically driven by the consolidation of Nordex and the inclusion of other activities that did not meet the alignment conditions in prior years. The target of keeping the ratio above 90% was met.

Based on **governance** KPIs, Acciona has continued to make progress with the inclusion of sustainability structures in new debt issues, which now account for 79% of the Company's *Corporate net debt*. Acciona issued €805.9 million in new green financing structures and €448.2 million in sustainability-linked instruments. Finally, Acciona Energía raised €2,030 million in new green bonds, facilities and promissory notes. These new issues increased *Sustainable Financing* to €9,869 million.

Income Statement Data

(millions of euros)	FY 2023	FY 2022	Chg. %
Revenue	17,021	11,195	52.0%
EBITDA	1,981	2,068	-4.2%
EBT	819	869	-5.8%
Attributable net profit	541	441	22.7%

Balance Sheet and Capital Expenditure

(millions of euros)	FY 2023	FY 2022	Chg. %
Attributable equity	5,009	4,885	2.5%
Net financial debt excluding IFRS 16	5,740	4,742	21.0%
Net financial debt	6,551	5,253	24.7%
NFD/EBITDA	3.31x	2.54x	30.2%

(millions of euros)	31-Dec-23	31-Dec-22	Chg. %
Ordinary CAPEX	3,122	1,943	60.7%
Net investment cash flow	3,327	2,004	66.0%

Operating Data

Energy	31-Dec-23	31-Dec-22	Chg. %
Total capacity (MW)	13,523	11,826	14.3%
Consolidated capacity (MW)	12,131	9,884	22.7%
Total production (GWh)	24,894	23,910	4.1%
Consolidated production (GWh)	21,433	19,657	9.0%
Average price (€/MWh)	86.4	114.0	-24.2%

Infrastructure	31-Dec-23	31-Dec-22	Chg. %
Infrastructure backlog (€m)	24,508	22,020	11.3%
Project backlog (€m)	17,514	16,314	7.4%
Water O&M backlog (€m)	4,478	4,193	6.8%

Nordex	31-Dec-23	31-Dec-22	Chg. %
Backlog (€m)	10,537	9,791	7.6%
Order intake, turbines (€m)	6,211	5,344	16.2%
Average selling price – order intake (ASP) (€m/MW)	0.84	0.84	-0.1%
Installations (MW)	7,253	5,221	38.9%

Other Activities	31-Dec-23	31-Dec-22	Chg. %
Pre-sales stock (no. of housing units)	1,393	1,473	-5.4%
Property developments – Gross Asset Value (€m)	1,805	1,541	17.1%
Bestinver - Assets under management (€m)	5,919	5,117	15.7%

	31-Dec-23	31-Dec-22	Chg. %
Average headcount	57,843	45,892	26.0%

ESG Indicators

	FY 2023	FY 2022	Chg. %
Executive and manager women (%)	22.6%	22.2%	0.45%
CAPEX aligned with EU low-carbon taxonomy (%)	99%	98%	1%
Emissions avoided (CO_2 – million of tons)	13.6	13.2	3.1%
Scope 1 + 2 GHG emissions generated (CO_2 thousand tons)	202,490	167,172	21.0%
Sustainable financing (%)	79%	64.0%	15.0%

Consolidated Income Statement

(millions of euros)	FY 2023	FY 2022	Chg. €m)	Chg. %
Revenue	17,021	11,195	5,826	52.0%
Other revenue	946	1,016	-70	-6.9%
Change in inventories of finished goods and work in progress	388	72	316	438.9%
Cost of goods sold	-5,853	-3,483	-2,370	-68.0%
Personnel expenses	-2,927	-2,077	-850	40.9%
Other operating expenses	-7,746	-4,814	-2,932	60.9%
Equity method profit/(loss) - analogous	152	159	-7	-4.4%
EBITDA	1,981	2,068	-87	-4.2%
Depreciation and amortisation charge and change in provisions	-1,101	-762	-339	44.5%
Impairment and profit/(loss) on disposals of non-current assets	-12	15	-27	-180.0%
Other gains or losses	383	13	370	n.a.
EBIT	1,251	1,334	-83	-6.2%
Financial income	169	47	122	259.6%
Financial costs	-514	-256	-258	
Foreign exchange rate changes		8	-8	-100.0%
Profit/(loss) from changes in value of financial instruments at fair value	17	-70	87	n.a.
Equity method profit/(loss) – non-analogous	-104	-194	90	-46.4%
EBT	819	869	-50	-5.8%
Income tax expense	-198	-254	56	-22.0%
Year's profit from continuing operations	621	615	6	1.0%
Non-controlling interests	-80	-174	94	-54.0%
Attributable net profit	541	441	100	22.7%

Revenue

(millions of euros)	FY 2023	FY 2022	Chg. €m)	Chg. %
Energy	3,547	4,351	-804	-18.5%
Infrastructure	7,723	6,016	1,707	28.4%
Nordex	5,272	n.a.	n.a.	n.a.
Other Activities	1,216	1,183	33	2.8%
Consolidation adjustments	-737	-355	-382	107.6%
Total revenue	**17,021**	**11,195**	**5,826**	**52.0%**

Revenue increased overall by 52.0% to €17,021 million, presenting the following trends in the different Activities in 2023:

- Energy revenues fell to €3,547 million, 18.5% less than 2022, mainly driven by the downward trend in electricity prices, especially in Spain.
- Infrastructure revenues rose by 28.4% on the back of 38.2% growth in Construction.
- Nordex contributed a total of €5,272 million to revenues in the nine months since first global consolidation.

- Revenues from Other Activities increased by 2.8% to €1,216 million.

EBITDA

(millions of euros)	FY 2023	% EBITDA	FY 2022	% EBITDA	Chg. €m)	Chg. %
Energy	1,285	64%	1,653	79%	-368	-22.3%
Infrastructure	551	27%	369	18%	182	49.3%
Nordex	117	6%		n.a.	n.a.	n.a.
Other Activities	54	3%	73	3%	-19	-26.0%
Consolidation adjustments	-26	n.a.	-27	n.a.	1	-3.7%
Total EBITDA	**1,981**	100%	**2,068**	100%	**-87**	-4.2%
Margin (%)	*11.6%*		*18.5%*			*-6.9pp*

Note: EBITDA contributions calculated before consolidation adjustments

The ACCIONA Group's EBITDA decreased by 4.2% to €1,981 million in 2023. This fall reflects the combined impact of a 22.3% diminution in EBITDA reported by Acciona Energía and 49.3% growth in Infrastructure EBITDA, driven by the increase in production and improved returns in the Construction activity.

EBIT

EBIT totalled €1,251 million, 6.2% less than the figure of €1,334 million reported in 2022. EBIT includes the aggregate positive impact and gains of €405 million generated on full consolidation of Nordex and Renomar following the increase in the stakes held and acquisition of control over both affiliates.

EBT

(millions of euros)	FY 2023	FY 2022	Chg. €m)	Chg. %
Energy	720	1,007	-287	-28.5%
Infrastructure	156	87	69	79.3%
Nordex	2	-197	199	101.0%
Other Activities	-22	-2	-20	n.a.
Consolidation adjustments	-37	-26	-11	-42.3%
Total EBT	**819**	**869**	**-50**	**-5.8%**
Margin (%)	*4.8%*	*7.8%*		*-3.0pp*

Earnings Before Tax decreased by 5.8% overall to €819 million in 2023 versus 2022, reflecting the net impact of the sharp increase in Infrastructure EBT (+79.3%), the positive contribution from Nordex (earnings of €2 million in 2023 compared to the loss of €197 million incurred in 2022) and the -28.5% fall in EBT contributed by Acciona Energía.

Consolidated Balance Sheet and Consolidated Statement of Cash Flows

(millions of euros)	31.12.2023	31.12.2022	Chg. €m)	Chg. %
Property, plant and equipment	11,655	9,485	2,170	22.9%
Investment property	23	168	-145	-86.3%
Right of use	824	548	276	50.4%
Goodwill	1,369	249	1,120	449.8%
Other intangible assets	1,567	545	1,022	187.5%
Non-current financial assets	184	263	-79	-30.0%
Investments accounted for using the equity method	732	1,730	-998	-57.7%
Deferred tax assets	1,416	872	544	62.4%
Other non-current assets	598	545	53	9.7%
NON-CURRENT ASSETS	18,368	14,405	3,963	27.5%
Inventories	3,067	1,386	1,681	121.3%
Trade and other receivables	4,405	3,340	1,065	31.9%
Other current financial assets	610	315	295	93.7%
Current income tax assets	202	141	61	43.3%
Other current assets	949	648	301	46.5%
Cash and cash equivalents	3,714	2,360	1,354	57.4%
Assets held for sale	335		335	n.a.
CURRENT ASSETS	13,282	8,190	5,092	62.2%
TOTAL ASSETS	**31,650**	**22,595**	**9,055**	**40.1%**
Share capital	55	55		0.0%
Retained earnings	4,690	4,631	59	1.3%
Profit/(loss) attributable to the parent company	541	441	100	22.7%
Treasury shares	-10	-17	7	-41.2%
Translation differences	-267	-225	-42	18.7%
Interim dividend				n.a.
ATTRIBUTABLE EQUITY	5,009	4,885	124	2.5%
NON-CONTROLLING INTERESTS	1,842	1,419	423	29.8%
EQUITY	6,851	6,304	547	8.7%
Debentures and other marketable securities	4,236	3,101	1,135	36.6%
Bank borrowings	3,809	2,624	1,185	45.2%
Lease obligations	687	439	248	56.5%
Deferred tax liabilities	1,326	890	436	49.0%
Provisions	809	279	530	190.0%
Other non-current liabilities	1,668	1,134	534	47.1%
NON-CURRENT LIABILITIES	12,535	8,467	4,068	48.0%
Debentures and other marketable securities	1,214	1,139	75	6.6%
Bank borrowings	805	553	252	45.6%
Lease obligations	124	72	52	72.2%
Trade and other accounts payable	6,958	3,889	3,069	78.9%
Provisions	608	299	309	103.3%
Current income tax liabilities	87	74	13	17.6%
Other current liabilities	1,963	1,798	165	9.2%
Liabilities associated with assets held for sale	505		505	n.a.
CURRENT LIABILITIES	12,264	7,824	4,440	56.7%

TOTAL EQUITY AND LIABILITIES	31,650	22,595	9,055	40.1%

(millions of euros)	FY 2023	FY 2022	Chg.(€m)	Chg. (%)
EBITDA	1,981	2,068	-87	-4.2%
Financial results (*)	-347	-169	-178	105.3%
Change in total working capital	430	196	234	119.4%
Other operating cash flows	-164	-380	216	-56.8%
Operating cash flow	1,900	1,715	185	10.8%
Ordinary CAPEX	-3,122	-1,943	-1,179	60.7%
Real estate inventories	-205	-61	-144	n.a.
Net investment cash flow	-3,327	-2,004	-1,323	66.0%
Share buy-back programme	1	-1	2	n.a.
Derivatives debt		89	-89	-100.0%
Exchange rate differences debt	12	-16	28	n.a.
Dividends	-247	-225	-22	9.8%
Perimeter changes and other	664	-453	1,117	n.a.
Financing and other cash flow (*)	430	-606	1,036	n.a.
Change in net debt excluding IFRS 16 + Decr./-Incr.	-997	-895	-102	11.4%

**Note: IFRS16 lease payments totalled €177 million in 2023, of which €33 million are reflected in* Financial expenses *(interest) and €144 million in* Change in perimeter and other items*.*

It should be noted that the criteria for the presentation of cash flows relating to non-controlling interests were changed in 2023, so that these payments/proceeds of this nature are now reflected under *Financing and other cash flow* rather than *Operating cash flow*. The inclusion of these amounts under *Operating cash flow* until 2022 was intended to provide an attributive measure of operating cash flow generation, constituting a measure oriented towards the shareholders of the Group's parent. However, it was considered more appropriate to adopt a measure of cash flow generation capacity oriented rather towards assets/operations in 2023 and subsequent years, in order to include cash outflows and inflows related with non-controlling interests in *Financing and other cash flow* rather than *Operating cash flow*.

Attributable equity

ACCIONA's attributable equity at 31 December 2023 was €5,009 million, 2.5% higher than 31 December 2022.

Net Financial Debt

(millions of euros)	31-Dec-2023 Amount	% of Total	31-Dec-22 Amount	% of Total	Chg. €m)	Chg. %
Non-recourse debt (project debt)	611	6%	631	9%	-20	-3.2%
Corporate debt (with recourse)	9,453	94%	6,786	91%	2,667	39.3%
Financial debt	10,064		7,417		2,647	35.7%
Cash + Current financial assets	-4,324		-2,675		-1,649	0.0%
Net financial debt, excl. IFRS 16	5,740		4,742		998	21.0%
Net financial debt	6,551		5,253		1,298	24.7%

Net financial debt at 31 December 2023 totalled €6,551 million (including the IFRS16 effect of €811 million), an increase of €1,298 million compared to 31 December 2022 due to a combination of the following factors:

- *Operating cash flow* of €1,900. This figure includes a positive change of €430 million in working capital resulting from total working capital outflows of €279 million in Acciona Energía and inflows of €709 million from the rest of the Group. *Other operating expenses* comprise chiefly taxes and results of equity accounted entities.

- *Net investment cash flow* of €3,327 million. Energy accounted for outflows of €2,321 million, and a further €267 million were invested in Infrastructure, €376 million in Nordex (comprising a loan of €275 million granted by Acciona, which was subsequently capitalised, and €101 million of own funds invested by Nordex), €158 million in Other Activities and €205 million in Real Estate inventories.

- *Financing and other cash flow* totalled €430 million, basically related with changes in the perimeter and other items. The full consolidation of Nordex contributed net cash of €456 million to the Group's consolidated net debt at 31 December 2023.

Financial gearing was as follows:

	2023	2022
Gearing (Net Debt/Equity) (%)	96%	83%

Capital expenditure

(millions of euros)	FY 2023	FY 2022	Chg. (€m)	Chg. (%)
Energy	2,321	1,279	1,042	81.5%
Infrastructure	267	244	23	9.4%
Construction	163	128	35	27.3%
Concessions	67	92	-25	-27.2%
Water	14	14		0.0%
Urban & Environmental Services	23	10	13	130.0%
Nordex	376	243	133	54.7%
Other Activities	158	178	-20	-11.2%
Ordinary CAPEX	**3,122**	**1,944**	**1,178**	**60.6%**
Real estate inventories	205	61	144	236%
Net investment cash flow	**3,327**	**2,005**	**1,322**	**65.9%**

Ordinary capex across Acciona's various businesses amounted to €3,122 million in 2023, excluding real estate investments, compared to €1,944 million in 2022.

Energy invested €2,321 million, 70% of the Group's total net ordinary capex, mainly in construction projects undertaken in Australia (MacIntyre) and the United States (basically Union, Red Tailed Hawk and Fort Bend).

Infrastructure invested a net €267 million, chiefly comprising capex of €140 million on construction machinery and equity investments of €66 million in transport and water concessions.

Investment in *Nordex* totalled €376 million in 2023, including a loan of €275 million granted by Acciona, which was subsequently capitalised, and investments of own funds by Nordex totalling €101 million.

Capex in *Other Activities* amounted to €158 million, mainly comprising investments in Urban Electric Mobility, Nordex H2, Solideo and Acciona Campus.

Business lines
Highlights

Energy

(millions of euros)	FY 2023	FY 2022	Chg. (€m)	Chg. (%)
Generation Spain	1,105	1,555	-450	-28.9%
Generation International	746	685	61	8.9%
Intragroup adjustments, Supply & Other	1,696	2,111	-415	-19.6%
Revenue	3,547	4,351	-804	-18.5%
Generation Spain	749	1,272	-523	-41.1%
Generation International	550	436	114	26.2%
Intragroup adjustments, Supply & Other	-14	-55	41	-74.7%
EBITDA	1,285	1,653	-368	-22.2%
Generation margin (%)	70.2%	76.2%		

Spain

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Power	1,105	1,555	-450	-28.9%
Intragroup adjustments, Supply & Other	1,321	1,643	-322	-19.6%
Revenue	2,426	3,198	-772	-24.1%
Power	678	1,153	-475	-41.1%
Generation – equity accounted	71	119	-48	-40.8%
Total Generation	749	1,272	-523	-41.1%
Intragroup adjustments, Supply & Other	-10	-17	-7	40.2%
EBITDA	739	1,255	-516	-41.1%
Generation margin (%)	67.8%	81.8%		

Revenues in Spain totalled €2,426 million in the period, driven down by lower electricity prices in the year, which impacted both the Generation and Supply businesses.

EBITDA fell to €739 million.

Generation revenues in Spain amounted to €1,105 million, while EBITDA in Generation business fell by €749. Key factors affecting the EBITDA performance of the Generation business were as follows:

- Consolidated installed capacity in Spain totalled 5,311 MW at 31 December 2023 compared to 4,775 MW at 31 December 2022. This increase of 536 MW was due principally to the change in the perimeter (Renomar) and a 41 MW increment in solar PV capacity.

- Consolidated production grew by 9.4% to 10,146 GW in 2023.

- The total average price obtained by the company in 2023 was €108.9/MWh compared to €167.6/MWh in 2022, a fall explained mainly by the plunge in the average pool price to €87.1/MWh in 2023 from an average €167.5/MWh in 2022.

    - The average price obtained on market energy sales was €84.4/MWh, which is below the pool price.

    - Hedging increased the average price obtained by €20.9/MWh, while in 2022 it reduced the average price by €17.8/MWh.

    - The average market sale price adjusted for hedges was €105.4/MWh, compared to the market benchmark of €87.1/MWh.

    - Regulated revenues contributed only marginally to the average price under the new parameters established for the 2023-25 interim regulatory period, adding just €1.1/MWh to the average price.

    - The aggregate effect of the regulatory banding mechanism was €2.5/MWh.

Spain – Revenue Drivers and Price Composition

	Consolidate d production (GWh) (GWh)	Achieved price (€/MWh)					Generating revenues (€)				
		Market	Rinv+Ro	*Banding*	*Other*	Total	Market	Rinv+Ro	*Banding*	*Other*	Total
FY 2023											
Regulated	2,063	84.5	5.3	12.3		102.0	174	11	25		210
Wholesale - hedged	6,011	121.5				121.5	730				730
Wholesale - unhedged	2,072	79.4				79.4	165				165
Total Generation	10,146	105.4	1.1	2.5		108.9	1,069	11	25		1,105
FY 2022											
Regulated	3,212	165.6	24.1	29.4		219.0	532	77	94		703
Wholesale - hedged	4,844	133.7				133.7	647				647
Wholesale - unhedged	1,222	167.8			-0.7	167.1	205			-1	204
Total Generation	9,278	149.2	8.3	10.2	-0.1	167.6	1,385	77	94	-1	1,555
Chg. (%)											
Regulated	-35.8%					-53.4%					-70.1%
Wholesale - hedged	24.1%					-5.9%					16.8%

Wholesale - unhedged	69.5%	-57.1%	-27.3%
Total Generation	9.4%	-35.0%	-28.9%

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(€/MWh)	FY 2023	FY 2022	Chg.(€m)	Chg. (%)
Achieved market price	84.4	167	-82.6	-49.4%
Gas Clawback	0.0	-0.1	0.1	n.a.
Hedging	20.9	-17.8	38.7	-217.5%
Achieved market price with hedging	105.4	149.1	-43.7	-29.3%
Regulatory income	1.1	8.3	-7.2	-87.2%
Banding (estimated)	2.5	10.2	-7.7	-75.4%
Average price	**108.9**	**167.6**	**-58.7**	**-35.0%**

Note: The impact of the Gas Clawback *on revenue was €34.8 million in 2023. This amount has been reclassified as an operating cost following ESMA recommendations.*

International

(millions of euros)	FY 2023	FY 2022	Chg. (€m)	Chg. (%)
Generation – International	746	685	61	8.9%
USA	129	101	28	26.9%
Mexico	252	211	41	19.2%
Chile	61	54	7	14.3%
Other Americas	53	47	6	12.1%
Americas	494	413	81	19.7%
Australia	55	69	-14	-19.7%
Rest of Europe	119	129	-10	-7.8%
Rest of the world	78	75	3	4.3%
Intragroup adjustments, Supply & Other	375	468	-93	-19.7%
Revenue	**1,121**	**1,153**	**-32**	**-2.7%**
Generation – International	537	451	86	19.2%
USA	90	50	40	80.4%
Mexico	186	157	29	18.7%
Chile	47	17	30	176.4%
Other Americas	36	35	1	2.7%
Americas	359	258	101	38.8%
Australia	28	41	-13	-32.4%
Rest of Europe	89	96	-7	-7.4%
Rest of the world	62	186	-124	12.0%
Generation – equity accounted	13	-15	28	189.5%
Total Generation	550	436	114	26.2%
Intragroup adjustments, Supply & Other	-4	-38	34	90.2%
EBITDA	**547**	**398**	**148**	**37.3%**
Generation margin (%)	*73.8%*	*63.7%*		

Revenue in the International perimeter totalled €1,121 million.

EBITDA for the International activity as a whole rose to €547 million. Generation EBITDA amounted to €550 million:

- Consolidated installed capacity in the International business at 31 December 2023 was 6,820 MW, representing growth of 1,711 MW over the year, chiefly comprising 1,049 MW in the USA (Fort Bend, High Point, Union and Red Tailed Hawk), 473 MW in Australia (MacIntyre) and 136 MW in Peru (San Juan de Marcona).

- Total consolidated production grew by 8.8% to 11,287 GWh driven by the output of new generating assets.

- The average international price was stable at €66.1/MWh, though it rose in Chile, Mexico and the USA and fell in Australia, Rest of Europe and Rest of World.

- The International business grew EBITDA by 37.3% to €547 million based on rising revenues and the non-recurrence of the 2022 impairment recognised in respect of the Moura plant (accounted for using the equity method) following the end of regulated tariffs in Portugal.

International – Revenue Drivers

	Consolidated production (GWh)	Achieved price (€/MWh)	Generation revenues (millions of euros)
FY 2023			
USA (*)	2,398	53.6	129
Mexico	3,009	83.6	252
Chile	2,044	29.9	61
Other Americas	717	73.8	53
Americas	8,168	60.5	494
Australia	1,205	45.7	55
Rest of Europe	966	123.0	119
Rest of the world	947	82.0	78
Total Generation	11,287	66.1	746
FY 2022			
USA (*)	2,078	48.8	101
Mexico	2,887	73.1	211
Chile	2,137	25.0	54
Other Americas	621	76.0	47
Americas	7,723	53.5	413
Australia	940	72.9	69
Rest of Europe	877	147.0	129
Rest of the world	838	88.9	75
Total Generation	10,378	66.0	685
Chg. (%)			
USA (*)	15.4%	10.0%	26.9%
Mexico	4.2%	14.4%	19.2%
Chile	-4.4%	19.5%	14.3%
Other Americas	15.5%	-2.9%	12.1%
Americas	5.8%	13.1%	19.7%
Australia	28.2%	-37.3%	-19.7%
Rest of Europe	10.2%	-16.3%	-7.8%
Rest of the world	13.0%	-7.7%	4.3%
Total Generation	8.8%	0.1%	8.9%

Note: The average price in the USA includes €3.3/MWh representing the activity of the battery energy storage system (BESS), which contributed €7.9 million to the margin in 2023 and fed 31.7 GWh into the power grid (€250/MWh). The average US price does not include tax incentives on the production of projects representing a total 753 MW, which receive a "normalised" PTC of $27/MWh.

Breakdown of Installed Capacity and Production by Technology

31-Dec-23	Total MW installed	Total GWh produced	Consolidated MW installed	Consolidated GWh produced	Net MW installed	Net GWh produced
Spain	5,839	11,766	5,311	10,146	5,409	10,713
Wind	4,682	9,374	4,169	7,775	4,263	8,348
Hydropower	868	1,744	868	1,744	868	1,744
Solar PV	227	298	213	277	219	286
Biomass	61	351	61	351	59	335
International	7,684	13,128	6,820	11,287	6,461	10,318
Wind	4,705	9,766	4,431	9,168	3,863	7,733
Mexico	1,076	3,009	1,076	3,009	925	2,506
USA	1,058	1,946	987	1,881	848	1,659
Australia	1,077	1,327	1,013	1,205	977	1,086
India	164	398	164	398	142	347
Italy	156	251	156	251	117	188
Canada	181	466	151	378	113	284
South Africa	138	352	138	352	57	145
Portugal	120	271	120	271	84	188
Poland	101	222	101	222	76	167
Costa Rica	50	246	50	246	32	160
Chile	312	846	312	846	301	821
Croatia	30	74	30	74	23	55
Hungary	24	45	0	0	12	22
Vietnam	84	277	0	0	21	69
Peru	136	36	136	36	136	36
Solar PV	2,725	3,268	2,135	2,025	2,360	2,515
Chile	610	1,198	610	1,198	610	1,198
South Africa	94	198	94	198	39	81
Portugal	46	92	46	44	34	56
Mexico	405	772	0	0	202	386
Egypt	186	424	0	0	93	212
Ukraine	100	105	100	105	97	101
USA	1,227	424	1,227	424	1,227	424
Dominican Republic	58	57	58	57	58	57
Solar Thermoelectric (USA)	64	93	64	93	48	70
Storage (USA)	190	0	190	0	190	0
Total Wind	9,387	19,141	8,600	16,943	8,126	16,081
Total other technologies	4,136	5,753	3,531	4,490	3,744	4,950
Total Energy	13,523	24,894	12,131	21,433	11,870	21,031

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Infrastructure

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Construction	6,301	4,560	1,741	38.2%
Concessions	50	52	-2	-3.8%
Water	1,214	1,272	-58	-4.6%
Urban & Environmental Services	165	148	17	11.6%
Consolidation adjustments	-7	-16	9	55.9%
Revenue	7,723	6,016	1,706	28.4%
Construction	370	227	143	63.0%
Concessions	67	37	30	80.8%
Water	95	89	6	6.8%
Urban & Environmental Services	18	15	3	18.2%
EBITDA	551	369	182	49.3%
Margin (%)	*7.1%*	*6.1%*		
EBT	156	87	69	78.2%
Margin (%)	*2.0%*	*1.5%*		

Infrastructure revenues totalled €7,723 million in 2023, 28.4% more than in 2022, while EBITDA increased to €551 million, representing growth of 49.3% compared to 2022. Earnings before tax amounted to €156 million, up 78.2% on 2022.

In geographic terms, significant revenue growth was achieved in Australia, Brazil, Spain, Chile and the United Kingdom. The most important geographical region for the Infrastructure division as a whole is Australia, which accounted for 34% of revenues. Sales in Spain totalled €1,330 million, an increase of 16.5% versus 2022, contributing 17.2% of the Division's total revenues.

Construction

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Revenue	6,301	4,560	1,741	38.2%
EBITDA	370	227	143	63.0%
Margin (%)	*5.9%*	*5.0%*		

Construction revenues rose by 38.2% to €6,301 million in 2023 with significant growth in activity in Oceania (+63%), Chile (+88%), the United Kingdom (+80%) and Brazil (32%). By country, the largest contributors to Construction revenues were Australia (41%), Spain (15%) and Brazil (9%). Key construction projects include Line 6 of the São Paulo Metro in Brazil and the Sydney Metro West and Western Harbour Tunnel in Australia.

EBITDA generated on the Construction business in 2023 increased by 63.0% compared to 2022 to reach €370 million, resulting in an EBITDA margin of 5.9% versus 5.0% in 2022. This enhanced return reflects the margins associated with growing production and major capital intensive contracts, as well as the improving trend of industrial activity.

Concessions

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Revenue	50	52	-2	-3.8%
EBITDA	67	37	30	80.8%
Margin (%)	*134.4%*	*71.5%*		

Concessions revenues fell by 3.8%, though EBITDA increased by 80.8% to €67 million. This strong EBITDA growth was due mainly to construction work on the Orange section of Line 6 of the São Paulo Metro in Brazil and on the Fargo-Moorhead canal in the United States, both of which are demand-risk-free financial assets.

The carrying amount of equity investments in transport concessions at 31 December 2023 was €246 million.

Water

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Revenue	1,214	1,272	-58	-4.6%
EBITDA	95	89	6	6.8%
Margin (%)	7.8%	7.0%		

Water revenues fell by 4.6% in 2023 as Design and Construction (D&C) work wound down, but EBITDA increased by 6.8% due to the increased share of Services/O&M business, chiefly in Mexico and Qatar. In geographic terms, ACCIONA Water maintains a strong presence in the Middle East (Saudi Arabia and Qatar), which accounts for some 44% of revenues.

The carrying amount of equity investments in water concessions at 31 December 2023 was €149 million.

Urban & Environmental Services

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Revenue	165	148	17	11.6%
EBITDA	18	15	3	18.2%
Margin (%)	*11.0%*	*10.4%*		

Revenue from Urban & Environmental Services grew by 11.6% to €165 million while EBITDA rose 18.2% to €18 million in 2023, resulting in an EBITDA margin of 11.0% for the year versus 10.4% in 2022.

Infrastructure backlog

(millions of euros)	31-Dec-23	31-Dec-22	Chg. %	Weight (%)
Construction	16,174	15,061	7.4%	66%
Concessions	1,591	769	106.8%	6%
Water	5,819	5,446	6.9%	24%
Urban & Environmental Services	925	744	24.4%	4%
Total	24,508	22,020	11.3%	100%

(millions of euros)	31-Dec-23	31-Dec-22	Chg. %	Weight (%)
Construction activities	17,514	16,314	7.4%	71%
Water Concessions & O&M	4,478	4,193	6.8%	18%
Concessions	1,591	769	106.8%	6%
Urban & Environmental Services	925	744	24.4%	4%
Total	24,508	22,020	11.3%	100%

(millions of euros)	31-Dec-23	31-Dec-22	Chg. %	Weight (%)
Spain	4,869	4,042	20.5%	20%
International	19,639	17,977	9.2%	80%
Total	24,508	22,020	11.3%	100%

The total **Infrastructure** backlog grew by 11.3% compared to 31 December 2022 to reach a historic high of €24,508 million. New projects worth €9,409 million were secured in 2023. Furthermore, ACCIONA was selected as a preferred bidder in two major transport concession projects:

- I10 Calcasieu, USA: contract for the design, construction and maintenance of around 10 km of the Interstate 10 (I-10) highway in the United States, including replacement of the existing bridge over the Calcasieu River at Lake Charles, Louisiana. Construction is expected to take seven years and the infrastructure will have an operational life of 50 years. The estimated total project capex is USD 3,049 million (€2,760 million). ACCIONA holds a 50% stake in the construction vehicle and a 50% stake in the concession operator.

- Central West Orana, Australia: contract for the design, construction, maintenance and transfer of 250 km of transmission lines and a number of substations for the NSW-Sydney Renewable Energy Zone grid. Construction is expected to take four years and the infrastructure will have an operational life of 31 years. The estimated total project capex is AUD 8,188 million (€5,035 million). ACCIONA holds a 50% stake in the construction vehicle and a 36% stake in the concession operator.

A breakdown of the Infrastructure backlog by activity is as follows:

- **Construction:** The construction backlog totals €16,174 million, up 7.4% compared to 31 December 2022. Approximately 55% of the backlog in Australia consists of partnership-alliance models, which make up around 24% of the Construction backlog as a whole (16% of the Infrastructure Division's total backlog). Key awards in 2023 include the M80 Melbourne ring road (North East Link Secondary Package) and the Humelink power distribution and transmission system, also in Australia.

- **Water:** The Water backlog totals €5,819, an increase of 6.9% versus 31 December 2022. This portfolio comprises both Construction activities worth €1,341 million and Operation & Maintenance (O&M)

activities amounting to €4,478 million. Major awards in 2023 include the L'Eau de Mer desalination plant in Casablanca, Morocco. With a capacity of 822,000 m^3 per day, this is Africa's largest desalination facility.

- **Concessions:** The concessions backlog totals €1,591 million, representing growth of 106.8% compared to 2022 due to the award of the A127 motorway in Aragón, Spain, and two transmission line projects in Peru (Ica-Poroma and Cáclic-Jaén Norte).

- **Urban & Environmental Services:** The backlog amounts to €925 million, up 24.4% compared to 31 December 2022.

Including Acciona's interests in equity-accounted projects, the total Infrastructure backlog amounts to €34,050 million.

Nordex

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Revenue	6,489	5,694	795	14.0%
Gross profit	985	486	499	102.6%
Gross profit (%)	*15.2%*	*8.5%*		
EBITDA	2	-244	246	100.8%
Margin (%)	*0.0%*	*-4.3%*		
EBIT	-186	-427	241	56.3%
Margin (%)	*-2.9%*	*-7.5%*		

Note: As explained in Note 2.2 h) to the annual accounts, the Acciona Group acquired control of Nordex on 27 March 2023, and the subsidiary was fully consolidated for the first time on 1 April 2023 (date adopted for the purposes of simplification). Accordingly, Nordex' contribution to the Group's consolidated income statement covered a period of nine months. However, the income statement figures for Nordex reflected in the above chart represent a full year's operations in both 2022 and 2023 in order to facilitate analysis and comprehension of the evolution of its business over the last 12 months.

Growth in Installation activities in 2023 was the main driver of Nordex' consolidated revenue, which increased by 14.0% to €6,489 million (€5,694 million in 2022). Project segment sales grew by 13.8% to €5,828 in 2023 (€5,122 million in 2022), while the Services segment, which normally provides a stable income source saw revenue growth of 18.3% to reach €679 million (2022: €578 million) thanks to new contracts.

Gross profit (gross revenue less cost of materials) saw significant growth of 102.6%, reaching €985 million in 2023 as a whole (2022: €486 million), while EBITDA increased to €2.0 million (negative EBITDA of €244 million in 2022). EBIT was negative in 2023, representing a loss of €186 million (loss of €427 million in 2022). This improvement resulted in an EBIT margin of -2.9% versus -7.5% in 2022.

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Backlog	10,537	9,791	747	7.6%
Project backlog	6,911	6,535	376	5.8%
Services backlog	3,626	3,256	370	11.4%

(millions of euros)	FY 2023	FY 2022	Change (€m)	Change (%)
Order intake, turbines (millions of euros)	6,211	5,344	867	16.20%
Order intake, turbines (MW)	7,358	6,326	1,032	16.30%
Average selling price – order intake (ASP) (€m/MW)	0.84	0.84	0.0	-0.1%
Installations (MW)	7,253	5,221	2,032	38.9%

The Nordex Group received firm orders in the Project segment worth a total of €6,211 million (€5,344 million in 2022) in respect of 1,270 wind turbines with an aggregate nominal capacity of 7.4 GW (2022: 1,235 wind turbines with an aggregate nominal capacity of 6.3 MW).

Orders were obtained in 23 countries in 2023 and volumes (in MW terms) increased in Germany, Turkey, Spain and Sweden.

Meanwhile, the average sale price (ASP) per megawatt of output remained stable at €0.84/MW (€0.84/MW in 2022).

Nominal capacity and the number of wind turbines installed rose to 7.3 GW in 2023 (5.2 MW in 2022) and 1,429 turbines in 25 countries (1,129 turbines in 19 countries in 2022). Europe accounted for 63% of installations in Europe, followed by Latin America (24%), the Rest of the World (7%) and North America (6%).

Meanwhile, the Project segment backlog increased to €6,911 million at 31 December 2023 (€6,535 million at 31 December 2022). Europe accounted for 84% of this total, Latin America for 10%, North America for 4% and the Rest of the World for 2%.

Orders received in the Services segment totalled €924 million (€677 million in 2022), while the segment backlog amounted to €3,626 at 31 December 2023 (€3,256 million at 31 December 2022).

Other Activities

(millions of euros)	FY 2023	FY 2022	Chg. €m	Chg. %
Real Estate	193	247	-54	-21.9%
Bestinver	96	101	-5	-4.9%
Corporate & Other	927	834	93	11.1%
Revenue	1,216	1,183	33	2.8%
Real Estate	4	13	-9	-65.1%
Margin (%)	*2.3%*	*5.2%*		
Bestinver	36	47	-11	-23.0%
Margin (%)	*37.4%*	*46.2%*		
Corporate & Other	13	14	-1	-4.1%
EBITDA	54	73	-19	-26.8%
EBT	-22	-199	177	n.a.

Real Estate

Real Estate revenues fell by 21.9% versus 2022 to €193 million, despite the delivery of 720 homes between January and December 2023 compared to 617 in the prior year (+17%). However, the average sale price (ASP) of these properties was lower than in 2022 because housing developments in Poland accounted for a larger share of the total portfolio.

Marketing activities produced pre-sales agreements for 640 housing units in 2023, a similar figure to 2022, resulting in a backlog of 1,393 units at 31 December 2023 equal to 65% of the total units under commercialisation (2,150) worth €517 million and covering more than 80% of deliveries scheduled for 2024 and a significant part of deliveries for 2025.

Gross Asset Value (GAV) was €1,805 million at 31 December 2023, 17% up on 2022 due to gains in the value of both rental properties and residential developments.

Bestinver

Bestinver's revenues declined by 4.9% (€5,637 million in 2023 versus €5,929 million in 2022) and EBITDA fell by 23%, depressed by the lower level of average assets under management in the year. However, assets under management at 31 December 2023 amounted to €5,919 million, 15.7% more than at 31 December 2022.

Corporate and Other Activities

Corporate and Other Activities include Airport Handling, Urban Electric Mobility, Facility Services and Acciona Cultura, among other businesses.

Revenues rose to €927 million in 2023 on the back of 11.1% growth versus 2022 driven by the increase in the revenues of Acciona Culture (+50%), especially the events activity, and Airports (+28.7%). EBITDA was €13 million, a very similar figure to 2022, due to the negative contribution from Urban Electric Mobility. Silence sold a total of 9,178 units in 2023, a fall of 28.4% versus 2022 caused by the contraction in the European electric vehicles market as a whole.

CNMV COMMUNICATIONS, DIVIDEND AND SHARE DATA

Material Events in the Period

- 25 January 2023: ACCIONA reports 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: ACCIONA 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

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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.

    - 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).

    - 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 223ill 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 from this amount.

- 27 July 2023: Acciona reports details of transactions carried out under the Liquidity Agreement between 26/04/2023 and 26/07/2023, inclusive.

    - The transactions reported refer to the twenty-fourth quarter of the aforesaid agreement (from 26 April 2023 to 26 July 2023, inclusive).

- 8 August 2023: ACCIONA Energía reports confirmation of the rating awarded by the agency DBRS.

    - DBRS Ratings GmbH (DBRS Morningstar) has confirmed ACCIONA's rating at "BBB" and its short-term rating at "R-2 (middle)" with a "Stable" outlook in both cases. These credit ratings are within the Investment Grade category.

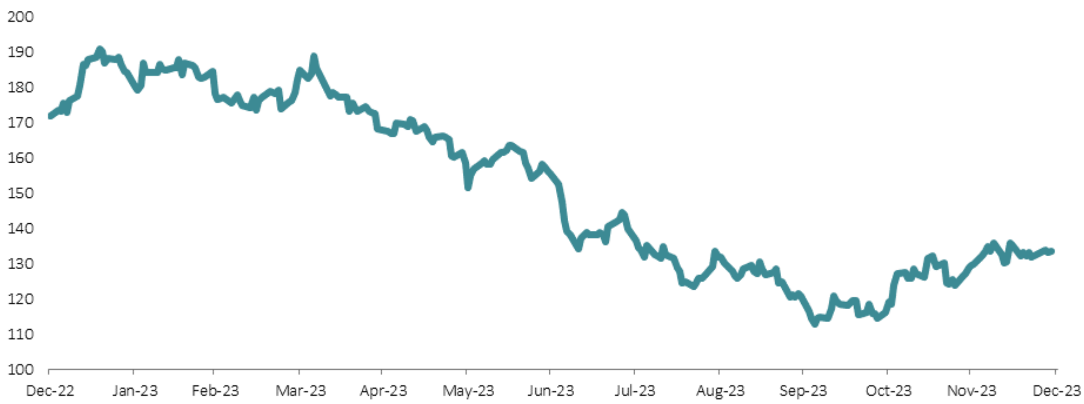
- 30 October 2023: ACCIONA reports details of transactions carried out under the Liquidity Agreement between 27/07/2023 and 27/10/2023, inclusive.
    - Acciona reports details of transactions associated with the twenty-fifth quarter of the aforesaid agreement (from 27 July 2023 to 27 October 2023, inclusive).

Dividend

On 20 June 2023, the Annual General Meeting of the Shareholders approved 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. On the 29 February 2024, Acciona's Board of Directors proposed the distribution of a dividend of €266.1 million (€4.85 per share) out of the profit for 2023.

Share data and share price performance

ACCIONA Share Price Evolution (€/Share)



Key Share Data

	31-Dec-23
Price at 29 December 2023 (€/share)	133.90
Price at 30 December 2022 (€/share)	171.90
Low in FY 2023 (4/10/2023)	112.65
High in FY 2023 (17/01/2023)	190.90
Average daily trading (shares)	87,755
Average daily trading (€)	13,186,831
Number of shares	54,856,653
Market capitalisation at 29 December 2023 (€ million)	7,312

Share Capital

As of 31 December 2023 and 2022, Acciona's share capital amounted to €54,856,653, represented by 54,856,653 ordinary shares of €1 par value each.

As of 31 December 2023, the Group held 110,202 treasury shares representing 0.2009% of the share capital.

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Changes in treasury shares in 2023 were as follows:

	2023		2022	
	Number of shares	Cost	Number of shares	Cost
Opening balance	167,109	17	206,199	18
Additions	1,298,695	196	1,558,733	277
Retirements	-1,307,275	-200	-1,552,717	-275
Liquidity contract movements	-8,580	-4	6,016	2
Other additions	11	0		
Other retirements	-48,338	-3	-45,106	-3
Other movements	-48,327	-3	-45,106	-3
Closing balance	**110,202**	**10**	**167,109**	**17**

Events after the reporting period

Acciona Financiación Filiales, S.A. obtained a Samurai loan, i.e. a loan obtained in the Japanese market and funded mainly by Japanese regional banks, of JPY 45,000 million (approximately €281 million) on 2 February 2024. Reflecting Acciona's strategy of diversifying its sources of finance, this was the first Samurai loan ever granted to a Spanish borrower and the first green Samurai loan granted to a European borrower.

Key risks associated with the activities of the ACCIONA Group

The risk scenarios addressed by the Acciona Risk Management System are classified in eight main groups, namely financial, strategic, operational, unforeseeable, environmental, social, compliance and tax risks. The first two of these groups have been identified by the Group's management as presenting the highest risk profiles.

1. Financial and economic risks

These risks comprise mainly fluctuations in exchange rates, interest rates and financial markets, liquidity and cash flow exposures, credit risk and the potential loss of customers.

In order to mitigate exchange rate risk, Acciona contracts currency derivatives (mainly exchange-rate hedging instruments) to hedge significant future transactions and cash flows in line with appropriate risk tolerance thresholds. Note 20 to the 2023 annual accounts includes details of current and non-current assets and liabilities and equity at 31 December 2023 in the main currencies in which the Acciona Group operates.

The interest rate risk primarily affects borrowings and debt issues, in particular as regards the financing of infrastructure projects, concession contracts, construction of wind farms and solar generating facilities, and in other projects where interest rate fluctuations can significantly impact returns. The risk is mitigated by maintaining an adequate balance between fixed and floating-rate debt in line with Group risk management policies established by the Group and by contracting hedging derivatives, basically interest rate swaps (IRS), in order to convert floating-rate to fixed-rate debt and vice versa.

The Group addresses credit and liquidity risks by trading exclusively with solvent third parties. Meanwhile, sufficient guarantees are sought from suppliers to mitigate the risk of financial losses in the event of non-performance.

Together with a suitable level of reserves, the Group also constantly monitors cash flow forecasts and current cash balances in to match them with the maturity profiles of financial assets and liabilities.

2. Strategic risks

These are risks that could condition ACCIONA's growth and result in failure to meet objectives because the company is unable to respond to a dynamic and competitive environment. The risks concerned include organisational changes, investments and divestments, threats from competitors, economic, political and legal changes, and the impact of new technologies or research and development.

Acciona minimises this type of risk through its own strategy and business model, applying adequate industry and geographic diversification of its businesses, carrying out exhaustive market research, surveys of competitors and studies of the countries in which its activities are carried out, and through its commitment to research and development.

3. Operational risks

These risks concern processes, people and products. They relate to regulatory, legal and contractual compliance, control systems and procedures, the supply chain, ancillary services, information systems, employee productivity, and the loss of key personnel.

In each business area, specific systems are established to cover all business requirements, to systematise and document processes, and to manage quality, operations, planning and financial control.

4. Unforeseeable risks

These risks are associated with damage caused to company assets and civil liability risks that could negatively impact the company's performance, including acts of cybercrime.

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.

5. Environmental and social risks

Exposures are managed within the framework of the company's general risk management system. Environmental risks are associated with the company's climate change impact, waste management, use of natural resources and biodiversity footprint. Social risks are associated with human rights, labour standards in the supply chain, workplace health and safety, and relationship with the communities among which the company operates.

ACCIONA continued developing and implementing the ESG Risk Management System. Key initiatives and results were as follows:

- Definition of common probability assessment and reclassification criteria to support the comparability of results.

- Inclusion of new social variables, raising the total number of ESG variables assessed to 31 and thereby expanding the scope of ESG risk assessments.

- Significant increase in the number of plants subjected to exhaustive assessment procedures compared to prior years. This allowed the inclusion of other plants in the consultation and assessment process in addition to those presenting a high level of inherent risk.

- Enhanced level of detail with respect to potential and actual risk mitigation measures implemented at the project level, and joint review to validate results, identify process-related improvements and gather experiences.

All of Acciona's ~c 1,600 facilities were assessed for the probability of risks depending on their geographical location, and an objective indicator of economic and financial outcomes was applied to each of the potential risks determined in relation to the 31 ESG variables analysed. This initial analysis allowed the Group to prioritise facilities based on their level of inherent risk. A second on-site analysis was then performed at facilities presenting a high level of risk, allowing:

- Calibration and analysis of initial findings

- Investigation of the risk mitigation measures implemented

- Proposal of additional risk mitigation and prevention measures

Key findings from the ESG risk consultation and analysis process carried out were as follows:

- The number of the company's facilities presenting a high level of ESG risk represents less than 1.5% of total plant. The facilities concerned belong to the Water, AFS and Airport activities.

- The most significant risks affecting the Company's facilities as a whole comprise issues related with biodiversity and protected areas (17%), health and safety (13%), working conditions and ethical contracting (11%), and matters associated with fair, decent and respectful treatment of employees and other persons (11%).

- At the country level, the facilities presenting the highest average levels of risk are located in Vietnam, the Philippines, Ecuador, Paraguay and Oman.

Other key issues in addition to the foregoing are as follows:

All of the company's activities are encompassed in its ISO 14001 certified environmental management system. ACCIONA applies its own Social Impact Management (SIM) methodology, which is used to identify the social risks that its works, operations and services could drive in the areas of influence of its projects from the tender and design phase. Its objective in this regard is to generate positive and minimise negative impacts on local communities and the environment in the places where it operates. ACCIONA has also established a Social Safeguards Control System to mitigate all and any risks related with human rights.

Social, environmental and governance risks are identified, assessed and managed on a priority basis by Acciona, so as to improve sustainability, improve the Group's response in multiple scenarios and changing environments, and uphold stakeholder confidence. Acciona also has a corporate Environmental Crisis Management System. This system sets out procedure and allocates responsibilities and resources as necessary for the adequate management of any crisis situation following potential incidents at the facilities owned or operated by the Company that could impact the environment.

6. Compliance risks

These risks relate to the possibility of non-compliance or failures of supervision and control in relation to internal regulations and legislation applicable to the Group, including non-compliance with anti-bribery legislation and other criminal law matters.

The diverse nature of Acciona's activities and the Group's presence in multiple jurisdictions mean that it is exposed to a broad range of diverse compliance risks not only at the local level but also, sometimes, internationally. The Group has established a Crime Prevention and Anti-Corruption (CPAC) system, which is fully supported by additional specific compliance risk control systems covering competition matters, the environment, tax issues and data protection.

Key management tasks in relation to the Crime Prevention and Anti-Corruption system comprise identification, periodic assessment and tracking of the criminal compliance risks to which the Group is exposed in the course of its activity. This work also includes identification, self-assessment, audit and continuous review of the control implemented to mitigate the materialisation of risks of this nature. In this connection, the CPAC system establishes specific controls in the area of criminal law compliance and other internal control systems applicable throughout the organisation, including the Financial Information Internal Control System, the Social Safeguards Internal Control System and the Tax Compliance Internal Control System.

Risk analysis and continuous improvement procedures are supplemented by the identification, assessment and management of ethical and integrity risks affecting key Group processes including, inter alia, evaluation of commercial opportunities and analysis and tracking of suppliers, business partners and market consultants.

7. Tax risks

The tax risks faced by the Group comprise basically compliance procedures and communications with business areas involving the possibility of erroneous technical analyses, changes in tax regulations or administrative and juridical criteria, as well as reputational risks arising from tax decisions that could adversely impact the Group's image and reputation. In this connection, Acciona approved a Tax Policy in 2021, establishing the content of the Group's Tax Strategy, which is designed primarily to underpin the creation of shareholder value in connection with global taxation while complying with the provisions of the Spanish Corporate Enterprises Act and the certification requirements of the UNE 19602:2019 standard.

Tax risk management is based on an appropriate control environment, the risk identification system, and a continuous monitoring and improvement process to address the effectiveness of the controls in place. Since 2020, ACCIONA has also prepared a Tax Risk Map, which identifies and quantifies all of the Group's tax risks in order to ensure adequate monitoring.

Finally, a Corporate Regulation has been approved in relation to the DAC 6 rules. This is intended to establish corporate guidelines and implement appropriate internal control systems to ensure proper identification, classification, information exchanges and reporting of transactions entered into by the Acciona Group's, all of which could be affected by Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

Outlook

The world economy has continued with its slow recovery after the bruising blows delivered by the COVID-19 pandemic, the Russian invasion of Ukraine and the cost of living crisis. Despite this series of events, the world economy has only slowed but it has not stagnated. Growth is slow and uneven, however, displaying increasing divergence at the world level, although both headline and underlying inflation have gradually been brought under control. Even so, full recovery to pre-COVID levels seems increasingly unlikely, particularly for emerging markets and developing economies.

Current forecasts point to global trade growth of 3.3% in 2024 and 3.6% in 2025, well below the historical average growth rate of 4.9%. Furthermore, there is every indication that trade bottlenecks and geo-economic fragmentation will continue to hobble world trade. These forecasts are based on the assumption that fuel and other commodities prices will fall in 2024 and 2025, and that interest rates will fall in leading economies. A fall of around 2.3% is anticipated in average annual oil prices, together with a decrease of some 0.9% in the prices of other commodities.

Meanwhile, global inflation is expected to drop to 5.8% in 2024 and 4.4% in 2025. Growth risks are balanced, and tougher financial conditions look likely if deflation continues. Negative economic impacts could be triggered by rising commodities prices and by problems in the Chinese real estate market. The situation therefore demands prudent monetary and fiscal policies, and measures to foster productivity and financial sustainability. Inflation has fallen faster than expected in most regions, while supply-side problems have eased and restrictive monetary policies are now being applied.

Growth is expected to dip from 1.6% in 2023 to 1.5% in 2024 in the advanced economies, before recovering to around 1.8% in 2025. In the United States growth looks set to fall to 2.5% in 2023, 2.1% in 2024 and 1.7% in 2025 due to the lag effects of tougher monetary policy. Euro-zone growth is expected to dip from 1.6% in 2023 to 1.5% in 2024, before recovering to around 1.8% in 2025. Moderate growth is expected in the United Kingdom, meanwhile, rising from an estimated 0.5% in 2023 to 0.6% in 2024 as the negative lag effects of high energy prices gradually dissipate. A growth rate of 1.6% is expected in 2025. Growth will slow in Japan from an estimated 1.9% in 2023 to 0.9% in 2024 and 0.8% in 2025 as the temporary factors supporting activity in 2023 gradually disappear, including depreciation of the yen, latent demand and the recovery of business investment following the postponement of existing projects.

Growth rates in emerging and developing markets are expected to continue at around 4.1% in 2024, rising to 4.2% in 2025. The forecast increase of 0.1% in 2024 compared to the projection contained in the WEO report published in October 2023 is due to improving conditions in various regions. In this context, it is expected that growth in the emerging and developing economies of Asia will slip from 5.4% in 2023 to an estimated 5.2% in 2024 and 4.8% in 2025. However, an improvement of 0.4% is expected in 2024 compared to the forecasts contained in the aforementioned WEO report, while China will grow at a rate of 4.6% in 2024 and 4.1% in 2025. India[2] will continue to enjoy strong growth of 6.5% in both 2024 and 2025, representing an improvement of 0.2% in both years due to the resilience of domestic demand. Meanwhile, Russia is expected to achieve growth of 2.6% in 2024

2 Figures and forecasts for India are based on a fiscal year commencing in April. Calendar-year growth forecasts for India are 5.7% in 2024 and 6.8% in 2025.

and 1.1% in 2025, following a 1.5% restatement of the country's growth in 2024 compared to prior years, reflecting the drag of stronger than expected growth in 2023.

Growth in Latin America and the Caribbean is expected to fall by an estimated 2.5% in 2023 to 1.9% in 2024 and then to rise to 2.5% in 2025. Brazil and Mexico are forecast to grow at rates of 0.2% and 0.6% respectively, mainly driven by stronger-than-expected domestic demand and faster growth in key trading partners.

Finally, Sub-Saharan Africa is expected to see growth rise from an estimated 3.3% in 2023 to 3.8% in 2024 and 4.1% in 2025 as the negative effects of extreme weather events lessen and supply-side problems improve. Projections for South Africa point to a weakening economy due to increasing logistical constraints affecting transport in particular, which will impact economic activity.

SUSTAINABILITY

Sustainable finance

Acciona made strong progress with its financing strategy in 2023, publishing and consolidating its Sustainable Impact Financing Framework, which covers both green financing and sustainability-linked instruments. A new Local Impact accelerator has also been launched, creating a "Double Impact" structure in combination with either of the aforementioned green or sustainability-linked financial instruments.

- Type I (Green UoP). In line with conventional green financing structures, issues of this kind are applied to support economic activities aligned with the EU taxonomy by investing in specific projects that contribute to environmental goal attainment.
- Type II (Green UoP + Local Impact). This financing structure is based on a Green UoP structure, and it therefore channels investments towards activities aligned with the EU Taxonomy while at the same time supporting positive environmental and/or social impact initiatives at the local level.
- Type III (SL). In line with conventional sustainability-linked structures, these instruments are linked to the attainment of ambitious sustainability goals set at the corporate level.
- Type IV (SL + Local Impact). Instruments of this kind are based on the SL structure but also include support for initiatives generating positive environmental and/or social impacts at the local level.

Finally, the Group has included a series of clear standards in the Sustainable Impact Financing Framework to provide greater comfort for investors and financial institutions.

Sustainable financing operations

Type of financing		*No. of issues in 2023*	*Outstanding issues*	*Amount in 2023 (€m)*	*Total amount (€m)*
Green financing	Type I	11	54	1,484	4,276
	Type II	4	6	1,198	2,119
Sustainable finance	Type III				
	Type IV	4	15	448	3,474
	Total	**19**	**75**	**3,130**	**9,869**

The innovative aspects of the Sustainable Impact Financing Framework have aroused considerable interest in the market, strengthening Acciona's credentials as a leader in the sustainable debt market. Around 79% of the Group's gross corporate debt was classified as Green (61%) or Sustainability-Linked (19%) at 31 December 2023.

Sustainability-linked finance

Further progress has been made with new sustainability-linked debt issues, and structures of this kind now account for some 79% of the Company's *Gross corporate debt*. Acciona issued €805.9 million in new green financing structures and €448.2 million in sustainability-linked instruments. Finally, Acciona Energía raised €2,030 million in new green bonds, facilities and promissory notes. These new issues increased Sustainable Financing to €9,869 million.

External ESG rating

Acciona and Acciona Energía are periodically assigned ESG ratings by numerous agencies and both companies consistently appear at the top of industry rankings. The principal ratings at 31 December 2023 were as follows:

		ACCIONA			ACCIONA ENERGÍA		
Agency	Scale	Rating	Industry Average	Industry	Rating	Industry Average	Industry
S&P Global	0 to 100	85	34	Elec. Utilities	87	34	Elec. Utilities
CDP	D- to A	A	C	Construction	A	C	Construction
SUSTAINALYTICS	100 to 0	17.8 Low Risk	35 High Risk	Utilities	10.7 Low Risk	25 Med Risk	Utilities
MSCI	CCC to AAA	AA	A	Utilities	AAA	A	Utilities
ISS ESG	D- to A+	C+ Prime	D+	Construction	A - Prime	B	Renewable Electricity
Moody's ESG	0 to 100	62 Advanced	45	Heavy Construction		n/a	

ACCIONA CONTINUES AS A MEMBER OF THE DOW JONES SUSTAINABILITY WORLD INDEX QUALIFIES FOR THE SUSTAINABILITY YEARBOOK AWARD ONCE AGAIN IN 2023

The index represents the top 10% of the 2,500 largest companies in the S&P Global Broad Market Index based on economic, environmental, and social criteria. ACCIONA has been part of the index since 19 December 2022 and has held the top spot since 2023.

S&P Global has included ACCIONA in the top 5% of its Sustainability Yearbook Award 2022, a distinction that places it on the podium of the world´s best utilities in the area of sustainability.

Presence in sustainability indexes

ACCIONA is part of several sustainability stock market indexes that include leading companies in this field.

Provider	Index name
Bloomberg	Bloomberg ESG Data Index
	Bloomberg ESG Score Universe
	Bloomberg ESG Coverage Index
	Bloomberg Goldman Sachs Global Clean Energy Index Price Return
	Bloomberg DM ex NZ ESG Screened Price Index
SOLACTIVE German Index Engineering	Solactive Clean Energy Index NTR
	Solactive Corner European Family Owned ESG Company Index NTR
	Solactive ISS ESG Screened Europe Small Cap Index NTR
	Solactive Candriam Factors Sustainable Europe Equity Index
SUSTAINALYTICS	S&P North America and Europe Clean Energy Index (USD)
EURONEXT	Euronext Eurozone ESG Large 80
	Euronext Vigeo Europe 120 Index
Fidelity	Fidelity Clean Energy Index PR
hanetf	SGI European Green Deal ESG Screened Index
foxberry	Foxberry SMS Global Sustainable Infrastructure USD Net Total Return Index
J.P.Morgan	J.P. Morgan QUEST Renewable Energy Index
MSCI	MSCI World Custom ESG Climate Series A Net in EUR

Presence in rankings and others sustainability awards

Accolade	Organisation	Position	Details
Europe's Climate Leaders 2023	Financial Times	Among the 300 most decarbonised companies	Ranking of companies showing the greatest reduction in emissions between 2015 and 2021 combined with a company transparency score for Scope 3 reporting and corporate commitments
New Energy Top 100 Green Utilities	Energy Intelligence	1st utility in the world	Acciona Energía renewed its positions as the world's "greenest" generating utility for the ninth year running
Diversity Leaders 2023	Financial Times	Among the top 850 companies I terms of diversity and inclusivity	ACCIONA has been recognised for having diversity and inclusion as a top priority in its strategy. The ranking is carried out by interviewing more than 100,000 employees from different companies.
Gaïa Rating	EthiFinance	N/A	Evaluation of social, environmental and good governance progress. The company scored 72 out of 100 in 2023, above the average for the sector and with outstanding results in relation to governance, social issues, environment and external stakeholders.
SE Index Member	Standard Ethics	EE- Sustainable Grade	The Index aims to measure, over time, market confidence in the OECD, EU and UN voluntary guidelines and guidance on Sustainability and Corporate Governance.
2023 Sustainability Rating	EcoVadis	Platinum medal (Top 1%)	Acciona was awarded the Platinum medal with a score of 78/100 in the EcoVadis Sustainability Rating, showing that it has implemented a sound management system to effectively address sustainability.

AVERAGE PAYMENT PERIOD TO SUPPLIERS

Pursuant to article 262.1 of Royal Legislative Decree 1/2010, of 2 July, approving the Consolidated Text of the Spanish Corporate Enterprises Act, the information on the average period for payments to suppliers is contained in Note 24 to the financial statements. The information disclosed in this Consolidated Directors' Report is also available online on the Company's website (www.acciona.es).

ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report, which forms part of this Consolidated Directors' Report, is available on the Spanish National Securities Market Commission website (www.cnmv.es) and on the Company's website (www.acciona.es).

The Annual Corporate Governance Report will also be communicated to the National Securities Market Commission as a Material Event.

ANNUAL DIRECTORS REMUNERATION REPORT

The Annual Directors Remuneration Report, which forms part of this Consolidated Directors' Report, is available on the Spanish National Securities Market Commission website (www.cnmv.es) and on the Company's website (www.acciona.es).

The Annual Directors Remuneration Report will also be communicated to the National Securities Market Commission as a Material Event.

STATEMENT OF NON-FINANCIAL INFORMATION

The Non-Financial Information Statement, prepared in accordance with Law 11/2018 of 28 December, which transposes Directive 2014/95/EU of the European Parliament into Spanish law, forms part of this Consolidated Directors' Report and is presented on the National Securities Market Commission website (www.cnmv.es) and the Company's website (www.acciona.com).

The Financial Information Statement will also be communicated to the National Securities Market Commission as a Material Event.

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 statement of comprehensive income
BS	Consolidated balance sheet
CHQ	Consolidated statement of changes in equity
CFS	Consolidated statement of cash flows
APM	Alternative Performance Measure as defined above
Note xx	Reference to the accompanying Notes to the Consolidated Annual 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 consolidated annual accounts. 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 consolidated annual accounts is as follows:

Millions of euros	Source	2.023	2.022
Revenue	P&L	17,021	11,195
Other revenue	P&L	946	1,016
Change in inventories of finished goods and work in progress	P&L	388	72
Cost of goods sold	P&L	-5,852	-3,483
Personnel expenses	P&L	-2,927	-2,078
Other operating expenses	P&L	-7,747	-4,814
Equity method profit/(loss) - analogous	P&L	152	159
EBITDA		1,981	2,068

EBITDA 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 of EBITDA to revenue.

A reconciliation with the consolidated annual accounts is as follows:

Millions of euros	Source	2.023	2.022
EBITDA	APM	1,981	2,068
Revenue	P&L	17,021	11,195
EBITDA Margin (%)		11.6%	18.5%

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 consolidated annual accounts is as follows:

Millions of euros	Source	2.023	2.022
Profit before tax from continuing operations (EBT)	P&L	819	869
Revenue	P&L	17,021	11,195
EBT Margin (%)		4.8%	7.8%

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 consolidated annual accounts is as follows:

Millions of euros	Source	31.12.2023	31.12.2022
Non-current bank borrowings	BS	3,809	2,624
Non-current debentures and other marketable securities	BS	4,236	3,101
Current bank borrowings	BS	805	553
Current debentures and other marketable securities	BS	1,214	1,139
Financial debt		**10,064**	**7,417**
Non-current lease obligations	BS	687	439
Current lease obligations	BS	124	72
Lease obligations		**811**	**511**
Other current financial assets	BS	-610	-315
Cash and cash equivalents	BS	-3,714	-2,360
Cash and current financial assets		**-4,324**	**-2,675**
Net financial debt		6,551	5,253

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 consolidated annual accounts is as follows:

Millions of euros	Source	31.12.2023	31.12.2022
Net financial debt	APM	6,551	5,253
Non-current and current lease obligations	BS	-811	-511
Net financial debt, excl. IFRS 16		5,740	4,742

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 consolidated annual accounts is as follows:

Millions of euros	Source	31.12.2023	31.12.2022
Non-current and current non-recourse bank borrowings	Note 19	437	436
Non-recourse debentures, bonds and marketable securities	Note 19	174	195
Non-recourse debt (project debt)		611	631

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

A reconciliation with the consolidated annual accounts is as follows:

Millions of euros	Source	31.12.2023	31.12.2022
Non-current and current recourse bank borrowings	Note 19	4,177	2,741
Recourse debentures, bonds and marketable securities	Note 19	5,276	4,045
Recourse debt (corporate debt)		9,453	6,787

Financial gearing: This ratio reflects 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 consolidated annual accounts is as follows:

Millions of euros	Source	31.12.2023	31.12.2022
Net financial debt	APM	6,551	5,253
EQUITY	BS	6,851	6,304
Gearing (Net Debt/Equity) (%)		96%	83%

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

There were no disposals meeting the criteria for classification as *Divestments* in 2023 or 2022.

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, including payments for the acquisition of companies or businesses. In the latter case, *Financial debt* balances included in the financial statements of companies or businesses acquired are treated as CAPEX investments, as are any amounts of *Cash and cash equivalents* or *Other current financial assets* not included in the working capital.

Ordinary CAPEX also includes the proceeds of marginal disposals of this kind, provided such transactions are not made in the context of a divestment strategy as defined in the *Divestment* APM.

Th is measure therefore reflects the Group's ability to grow as a result of increased cash generating capacity and earnings from net investment in non-current assets.

The measure is expressed as a net figure after the deduction (or addition) of changes in period balances with suppliers of fixed assets.

A reconciliation with the consolidated annual accounts is as follows:

Millions of euros	Source	2023	2022
Cash flows from investment activities	**CFS**	**-3,208**	**-1,944**
Divestments	APM		
Changes in NFD associated with companies or businesses acquired or disposed of in the period	NOD	86	
Other	NOD		1
Ordinary CAPEX		-3,122	-1,943

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).

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Traductora - Intérprete Jurada de inglés
Nº 1138

A reconciliation with the consolidated annual accounts is as follows:

Millions of euros	Source	2023	2022
Ordinary CAPEX	APM	**-3.122**	**-1.943**
Change in real estate inventories	Note 13	-229	-91
Change in provisions for real estate inventories	Note 13	7	17
Change due to translation differences and other real estate inventories	Note 13	12	9
Other	NOD	5	4
Real estate inventories		-205	-61
Divestments	APM		
Net investment cash flow		-3.327	-2.004

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.

A reconciliation with the consolidated annual accounts is as follows:

Millions of euros	Source	2023	2022
EBITDA	APM	**1.981**	**2.068**
Interest paid/received	CFS	-347	-169
Financial cash flows		**-347**	**-169**
Changes in working capital	CFS	225	135
Real estate inventories	APM	205	61
Change in total working capital		**430**	**196**
Systematic adjustments:			
Equity method profit/(loss) - analogous	P&L	-152	-159
Dividends received	CFS	53	89
Income tax recovered/(paid)	CFS	-329	-215
Change in other amounts received/(paid) relating to operating activities	CFS	340	12
Other operating cash flows	NOD	-76	-108
Other operating cash flows		**-164**	**-381**
Operating cash flow		1.900	1.714

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

A reconciliation with the consolidated annual accounts is as follows:

Millions of euros	Source	2023	2022
Proceeds and payments relating to equity instruments	CFS	**1**	**-1**
Change in value of current and non-current liabilities for interest and exchange rate hedges	Note 22	-22	69
Change in value of current financial assets due to interest and exchange rate hedges	Note 22	3	6
Other	NOD	19	14
Change in NFD excl. IFRS16 due to derivatives		**0**	**89**
Change in NFD exc. IFRS16 due to foreign exchange differences	NOD	**12**	**-16**
Dividends paid	CHQ	**-247**	**-225**
Dividends distributed to non-controlling interests	CHQ	-78	-28
Transfer to NFD excl. IFRS16 from assets held for sale	Note 20		-255
Transfer to NFD excl. IFRS16 to assets held for sale	Note 20	451	
Integration of NFD on changes in the perimeter (1)	NOD	449	
Payments under operating leases	CFS	-144	-120
Other	NOD	-14	-49
Perimeter changes and other		**664**	**-452**
Financing and other cash flows		430	-605

It should be noted that the criteria for the presentation of cash flows relating to non-controlling interests were changed in 2023, so that these payments/proceeds of this nature are now reflected under *Financing and other cash flow* rather than *Operating cash flow*. The inclusion of these amounts under *Operating cash flow* until 2022 was intended to provide an attributive measure of operating cash flow generation, constituting a measure oriented towards the shareholders of the Group's parent. However, it was considered more appropriate to adopt a measure of cash flow generation capacity oriented rather towards assets/operations in 2023 and subsequent years, in order to include cash outflows and inflows related with non-controlling interests in *Financing and other cash flow* rather than *Operating cash flow*.

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.

Pursuant to Royal Decree 1362/2007 of 19 October (article 8.1 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, the consolidated annual accounts drawn up in accordance with the applicable accounting principles 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 Directors' report presents a fair and balanced analysis of the business trends, results and position of the issuer and the companies included in the consolidation perimeter taken as a whole, together with a description of the main risks and uncertainties faced.

In witness whereof, all the members of the Board of Directors of ACCIONA, S.A. hereby prepare and sign the consolidated annual accounts for 2023 at their meeting held on 29 February 2024:

Mr José Manuel Entrecanales Domecq Chairman ____________________________	Mr Juan Ignacio Entrecanales Franco Vice-Chairman ____________________________
Mr Jerónimo Marcos Gerard Rivero Coordinating Director ____________________________	Mr Daniel Entrecanales Domecq Member ____________________________
Mr Javier Entrecanales Franco Member ____________________________	Ms Sonia Dulá Member ____________________________
Mr Javier Sendagorta Gómez del Campillo Member ____________________________	Mr José María Pacheco Guardiola Member ____________________________
Ms María Dolores Dancausa Treviño Member ____________________________	Mr Carlo Clavarino Member ____________________________
Ms Maite Arango García-Urtiaga Member ____________________________	Ms María Salgado Madriñán Member ____________________________
Ms Teresa Sanjurjo González Member ____________________________	

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Traductora - Intérprete Jurada de inglés
Nº 1138

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 241 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 26 de marzo de 2024.

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 241 pages, is a faithful translation into English of a document written in Spanish. In event of any discrepancy or ambiguity, the original document will prevail.
Madrid, 26 March 2024.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138