



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

HALF-YEAR FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD
ENDED 30 JUNE 2022



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

(Together with the condensed consolidated interim financial statements and the directors' report of Acciona, S.A. and subsidiaries for the six-month period ended 30 June 2022)

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



KPMG Auditores, S.L.
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28046 Madrid

Limited Review report on the Condensed Consolidated Interim Financial Statements

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

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

REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Introduction

We have conducted a limited review of the accompanying condensed consolidated interim financial statements (the "interim financial statements") of Acciona, S.A. (the "Company") and subsidiaries (together the "Group"), which comprise the balance sheet at 30 June 2022, the income statement, the statement of recognised income and expense, the statement of changes in equity, the statement of cash flows, and the explanatory notes, all condensed and consolidated, for the six-month period then ended (). The Directors of the Company are responsible for the preparation of these interim financial statements in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, pursuant to article 12 of Royal Decree 1362/2007 as regards the preparation of condensed interim financial information. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

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



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

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2022 have not been prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, pursuant to article 12 of Royal Decree 1362/2007 as regards the preparation of condensed interim financial statements.

Emphasis of Matter

We draw your attention to note 2 (a) of the accompanying explanatory notes, which states that these interim financial statements do not include all the information that would be required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The accompanying interim financial statements should therefore be read in conjunction with the Group's consolidated annual accounts for the year ended 31 December 2021. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying consolidated interim directors' report for the six-month period ended 30 June 2022 contains such explanations as the Directors of the Company consider relevant with respect to the significant events that have taken place in this period and their effect on the interim financial statements, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The consolidated interim directors' report is not an integral part of the interim financial statements. We have verified that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the six-month period ended 30 June 2022. Our work is limited to the verification of the consolidated interim directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of Acciona, S.A. and subsidiaries.

Other Matter

This report has been prepared at the request of Acciona, S.A.'s Directors in relation to the publication of the six-monthly financial report required by article 119 of the Revised Securities Market Law, approved by Royal Legislative Decree 4/2015 of 23 October 2015 and enacted by Royal Decree 1362/2007 of 19 October 2007.

KPMG Auditores, S.L.

(Signed on original in Spanish)

Bernardo Rücker-Embden

28 July 2022

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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM
DIRECTORS' REPORT FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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A. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF ACCIONA, S.A. AND SUBSIDIARIES FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

Condensed consolidated balance sheet at 30 June 2022 and 31 December 2021

<i>(Millions of euros)</i>	Notes	Unaudited 30.06.22	31.12.21
Property, plant and equipment	4	8,678	8,066
Investment property	5	157	141
Right of use	6	561	528
Goodwill	7	313	249
Other intangible assets	8	463	453
Non-current financial assets	9.1	239	219
Investments accounted for using the equity method	9.2	1,585	1,325
Deferred tax assets		990	920
Other non-current assets	10	421	468
NON-CURRENT ASSETS		13,407	12,369
Inventories	11	1,429	1,210
Trade and other accounts receivable		3,329	2,731
Other current financial assets	9.1	282	218
Current income tax assets		209	90
Other current assets		285	364
Cash and cash equivalents		2,640	2,318
Non-current assets held for sale	12	310	303
CURRENT ASSETS		8,484	7,234
TOTAL ASSETS		21,891	19,603
Share capital		55	55
Retained earnings	13	4,573	4,429
Profit attributable to the Parent Company	13	201	148
Treasury shares	13	-17	-18
Translation differences	13	-76	-302
Interim dividend		--	--
Equity attributable to equity shareholders of the Parent Company	13	4,736	4,312
Non-controlling interests		1,399	1,245
EQUITY		6,135	5,557
Debentures and other marketable securities	15	3,173	2,364
Bank borrowings	15	2,018	2,073
Lease obligations	6.2	438	430
Deferred tax liabilities		929	813
Provisions	14	314	301
Other non-current liabilities	16	1,266	1,150
NON-CURRENT LIABILITIES		8,138	7,131
Debentures and other marketable securities	15	1,900	1,666
Bank borrowings	15	353	280
Lease obligations	6.2	81	68
Trade and other accounts payable		3,524	3,148
Provisions		261	317
Current income tax liabilities		226	41
Other current liabilities	16	1,045	1,132
Liabilities associated with non-current assets held for sale	12	228	263
CURRENT LIABILITIES		7,618	6,915
TOTAL EQUITY AND LIABILITIES		21,891	19,603

The accompanying Notes 1 to 24 are an integral part of the condensed consolidated financial statements for the six-month period ended 30 June 2022.

Condensed consolidated income statement for the six-month periods ended 30 June 2022 and 2021

(Millions of euros)	Notes	Unaudited 30.06.22	Unaudited 30.06.21
Revenue	19	5,177	3,555
Other revenue		453	310
Change in inventories of finished goods and work in progress		70	118
Cost of goods sold		-1,581	-900
Personnel expenses		-1,003	-861
Other operating expenses		-2,124	-1,625
Depreciation and amortisation charge and change in provisions	4, 5, 6 and 8	-347	-350
Impairment and profit/(loss) on disposals of non-current assets	20	-1	55
Other gains or losses		-7	-2
Equity method profit/(loss) - analogous	9.2	72	46
OPERATING PROFIT		709	346
Financial income		16	27
Financial costs		-116	-128
Foreign exchange rate changes		8	3
Profit/(loss) from changes in value of financial instruments at fair value		-64	-2
Equity method profit/(loss) - non-analogous	9.2	-108	-18
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		445	228
Income tax expense		-138	-63
PERIOD'S PROFIT FROM CONTINUING OPERATIONS		307	165
Profit/(Loss) after tax from discontinued operations		--	--
PERIOD'S PROFIT		307	165
Non-controlling interests		-106	-17
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY		201	148
 BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euros)	18	3.67	2.71
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euros)	18	3.67	2.71
BASIC EARNINGS PER SHARE (Euros)	18	3.67	2.71
DILUTED EARNINGS PER SHARE (Euros)	18	3.67	2.71

The accompanying Notes 1 to 24 are an integral part of the condensed consolidated financial statements for the six month period ended 30 June 2022.

Condensed consolidated statement of comprehensive income for the six-month periods ended 30 June 2022 and 2021

(Millions of euros)	Unaudited 30.06.22	Unaudited 30.06.21
A) CONSOLIDATED PROFIT FOR THE PERIOD	307	165
1. Profit attributed to the Parent Company	201	148
2. Non-controlling interests	106	17
B) ITEMS THAT MAY NOT BE RECLASSIFIED TO THE INCOME STATEMENT	--	--
1. Revaluation/(Reversion of revaluation) of property, plant and equipment and intangible assets	--	--
2. Revaluation of financial instruments	--	--
3. Actuarial gains or losses and other adjustments	--	--
4. Tax effect	--	--
C) ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT	501	152
Income and expense recognised directly in equity	498	120
1. Cash flow hedges	289	84
2. Translation differences	281	57
3. Other income and expenses recognised directly in equity	--	--
4. Tax effect	-72	-21
Transfers to the income statement	3	32
1. Cash flow hedges	4	43
2. Translation differences	--	--
3. Other income and expenses recognised directly in equity	--	--
4. Tax effect	-1	-11
TOTAL RECOGNISED INCOME / (EXPENSE) (A+B+C)	808	317
a) Attributed to the Parent Company	627	288
b) Attributed to non-controlling interests	181	29

The accompanying Notes 1 to 24 are an integral part of the condensed consolidated financial statements for the six-month period ended 30 June 2022.

Condensed consolidated statement of changes in total equity at 30 June 2022

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

The accompanying Notes 1 to 24 are an integral part of the condensed consolidated financial statements for the six-month period ended 30 June 2022.

Condensed consolidated statement of changes in total equity at 30 June 2022

	Equity attributable to the Parent Company							
	Shareholders' equity							
(Unaudited) (Millions of euros)	Share capital	Share premium, reserves and interim dividend	Treasury shares	Period's profit attributed to the Parent Company	other equity instruments issued	Valuation adjustments	Non-controlling interests	Total equity
Opening balance at 01/01/2021	55	3,585	-22	380	--	-593	365	3,770
Adjustments due to changes in accounting policies								--
Adjustments due to errors								--
Adjusted opening balance	55	3,585	-22	380	--	-593	365	3,770
Total recognised income/(expense)	--	--	--	148	--	140	29	317
Transactions with shareholders or owners	--	-218	-2	--	--	--	-12	-232
Capital increases/(reductions)								--
Conversion of financial liabilities into equity								--
Dividends paid		-214					-14	-228
Treasury share transactions (net)			-2					-2
Increases / (Decreases) due to business combinations							2	2
Other transactions with shareholders or owners		-4						-4
Other changes in equity	--	384	7	-380	--	--	-1	10
Share-based payments		6	7					13
Transfers between equity accounts		380		-380				--
Other changes		-2					-1	-3
Closing balance at 30/06/2021	55	3,751	-17	148	--	-453	381	3,865

The accompanying Notes 1 to 24 are an integral part of the condensed consolidated financial statements for the six-month period ended 30 June 2022.

Condensed consolidated statement of cash flows for the six-month periods ended 30 June 2022 and 2021

(Millions of euros)	Notes	Unaudited 30.06.22	Unaudited 30.06.21
CASH FLOWS FROM OPERATING ACTIVITIES		536	21
Profit before tax from continuing operations		445	228
Adjustments for:		461	339
Depreciation and amortisation charges and change in provisions	4,5,6,8,9	447	353
Other adjustments to profit (net)	9	14	-14
Changes in working capital		-250	-300
Other cash flows from operating activities:		-120	-246
Interest paid		-89	-113
Interest received		13	18
Dividends received		59	15
Income tax recovered/(paid)		-97	-42
Other amounts received/(paid) relating to operating activities	6,9,10,16	-6	-124
CASH FLOWS FROM INVESTMENT ACTIVITIES	4,5,6,7,8,9,19	-1,135	-895
Payments due to investment:		-944	-674
Group companies, associates and business units		-119	-59
Property, plant and equipment, intangible assets, investment property and financial investments		-825	-615
Proceeds from disposal:		81	60
Group companies, associates and business units		51	22
Property, plant and equipment, intangible assets, investment property and financial investments		30	38
Other cash flows from investment activities:		-272	-281
Other amounts received/(paid) relating to investment activities		-272	-281
CASH FLOWS FROM FINANCING ACTIVITIES		883	507
Proceeds and payments relating to equity instruments:	13	-1	--
Purchases		-1	--
Disposals		--	--
Proceeds and payments relating to financial liability instruments:	15	1,030	692
Proceeds from issues		2,894	1,618
Repayments and redemptions		-1,864	-926
Payments of principal on operating leases	6	-63	-48
Dividends and returns paid on other equity instruments	13	-17	-14
Other cash flows from financing activities	16	-66	-123
Other amounts received/(paid) relating to financing activities		-66	-123
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		38	19
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		322	-350
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		2,318	2,407
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		2,640	2,057
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE PERIOD END		2,640	2,057
Cash on hand and at banks		2,401	1,796
Other financial assets		239	261
TOTAL CASH AND CASH EQUIVALENTS AT THE PERIOD END		2,640	2,057

The accompanying Notes 1 to 24 are an integral part of the condensed consolidated financial statements for the six month period ended 30 June 2022.

B. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF ACCIONA, S.A. AND SUBSIDIARIES FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

1. Group activities

Acciona, S.A. (the “Parent Company” or the “Company”) and its subsidiaries form the Acciona Group (“Acciona” or the “Group”). Acciona, S.A. has its registered and head office at Avenida de Europa 18, Alcobendas (Madrid).

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

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

Note 19 *Segment reporting* to the accompanying condensed consolidated financial statements for the six-month period ended 30 June 2022 provides detailed information on the assets, liabilities and operations involved in each of the business activities carried on by the Acciona Group. Acciona, S.A.’s shares are listed on the continuous market of the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges operated by the Spanish Stock Exchange Interconnection System (SIBE).

2. Basis of presentation and other disclosures

a. Basis of presentation

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

The consolidated annual accounts of the Acciona Group for 2021 were prepared by the Directors of the Company at the Board meeting held on 24 February 2022 in accordance with the applicable regulatory financial reporting framework and, in particular, with the principles and criteria contained in the International Financial Reporting Standards (IFRS)

adopted by the European Union to present a true and fair view of the Group's equity and consolidated financial position at 31 December 2021, and of the results of its operations, changes in the consolidated statement of comprehensive income and expense, and changes in consolidated equity and consolidated cash flows in the year then ended. The specific consolidation principles, accounting policies and measurement criteria applied are described in Notes 3 and 4 to the 2021 consolidated annual accounts. The consolidated annual accounts for 2021 were approved by the shareholders at their Annual General Meeting held on 23 June 2022.

The consolidated annual accounts of the Acciona Group for 2021 were prepared on the basis of the accounting records kept by the Parent Company and by the other Group companies.

These condensed consolidated financial statements for the six-month period ended 30 June 2022 are presented in accordance with IAS 34 – Interim Financial Reporting and Circulars 1/2008, 5/2015 and 3/2018 issued by the Spanish National Securities Market Commission. They were prepared by the Directors of the Parent Company on 28 July 2022 in accordance with article 12 of Spanish Royal Decree 1362/2007.

In accordance with IAS 34, interim financial information is prepared only in order to update the contents of the most recent consolidated annual accounts prepared by the Group, highlighting new activities, relevant events and circumstances arising in the six-month period without duplicating the information reported in the consolidated annual accounts for the preceding financial year. Accordingly, these condensed consolidated financial statements should be read together with the Group's 2021 consolidated annual accounts to ensure a proper understanding of the information contained herein.

The following amendments to accounting standards came into force in the first half of 2022:

Standards, amendments and interpretations	Description	Mandatory in periods beginning on or after
Adopted by the EU		
Amendment of IFRS 3- Reference to the Conceptual Framework	IFRS 3 has been updated to align the definitions of assets and liabilities in a business combination with those contained in the conceptual framework. The amendment also includes certain clarifications relating to the recognition of contingent assets and liabilities.	1 January 2022
Amendment of IAS 16 - Proceeds before Intended Use	The amendment prohibits deduction of any proceeds from the sale of goods produced while an entity is preparing an item of property, plant and equipment for its intended use from the cost of the asset. Income obtained from the sale of any such samples and the related production costs should be recognised through the income statement.	1 January 2022
Amendment of IAS 37 - Onerous Contracts – Cost of Fulfilling a Contract	The amendment explains that the direct cost of fulfilling a contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.	1 January 2022
Improvements to IFRS Cycle 2018-2020	Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	1 January 2022

The Group's Directors do not anticipate any significant impacts to arise as a result of the above amendments, since they will be applied prospectively, are related to presentation and disclosure issues and/or refer to matters that are not applicable or material to the Group's operations.

The accounting policies and criteria used in the preparation of these condensed consolidated financial statements for the first half of 2022 are consistent with those applied in the consolidated annual accounts for 2021.

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

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

b. Management estimates and use of judgement

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

- The measurement of assets showing evidence of impairment and goodwill so as to determine any impairment losses thereon
- Fair value measurement of assets acquired and liabilities assumed in business combinations
- Revenue recognition in the construction and civil engineering activity
- The assumptions used in the actuarial estimate of pension liabilities and obligations
- The useful life of property, plant and equipment, investment property and intangible assets
- The assumptions used to measure the fair value of financial instruments
- The likelihood and amount, where applicable, of unquantifiable and contingent liabilities.
- The future cost of facility decommissioning and land restoration
- The corporation tax expense recognised in the interim period on the basis of the Acciona Group's best estimates of the effective tax rate for the annual period and the recoverability of recognised deferred tax assets, in accordance with IAS 34
- Incremental borrowing rate used in the measurement of lease contracts and determination of the lease term
- The estimation 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

These estimates were made on the basis of the best information available to date in relation to the matters analysed. However, future events could make it necessary to change these estimates after 30 June 2022. Any such changes would be made prospectively in accordance with IAS 8, and the effects thereof would be recognised in the consolidated income statements for the years affected in accordance with IAS 8.

There were no significant changes in the estimates made and accounting criteria applied at 31 December 2021 in the six-month period ended 30 June 2022, and no error corrections were required.

The outbreak of war in Ukraine has cooled the optimism generated after the COVID-19 pandemic was brought under control. Indeed, it has worsened some of the more lasting Covid impacts like supply-chain tensions and inflationary pressures. Furthermore, this act of armed aggression has triggered a severe energy crisis, which has impacted both businesses and families, leading many countries to reassess their current energy dependency structures. Meanwhile, nations like the United States, Australia, Japan and the United Kingdom, and the EU have imposed a raft of measures and sanctions against Russia that will also have global effects. These sanctions have already impacted local currency exchange rates, interest rates and the share prices of companies listed on the Moscow Stock Exchange. The European gas market has already reacted to the all too serious possibility of winter shortages and the grave overall situation in the form of rising prices and acute volatility, which has in turn impacted electricity prices. This state of affairs has created a climate of uncertainty, sapping the confidence of business and investors alike and driving the economy perilously close to the cliff-edge of recession.

Acciona's exposure to the countries directly involved in the fighting is limited. The Group has no assets or operations in Russia, although it owns six solar photovoltaic plants in Ukraine, which produce 100 MW or a little over 1% of the total renewable power generated by the Group as a whole. However, the war has had global consequences both socially and in economic terms. Few sectors of the economy have entirely escaped the impact of generally rising prices for commodities (steel, concrete, copper and so on), energy and oil products. Meanwhile in Spain, the CPI climbed to 10.2% in June 2022, its highest level since April 1985 according to figures published by the Spanish National Institute of Statistics (INE). These knock-on impacts affect some of the Group's markets and activities.

Energy

As mentioned above, the Group owns six photovoltaic plants subject to *feed-in* tariff arrangements, which produce a total 100 MW of power. Three of these plants (57.6 MW) are situated on the outskirts of Kyiv, while the other three (42.4 MW) are located in the southern Odessa region of the country, not far from the border with Moldova. Neither the plants themselves nor any of the employees responsible for their operation and maintenance have suffered any direct harm as a result of military action. While the plants remain in perfect physical and operational condition, however, Martial Law imposed on 28 February 2022 at the outbreak of the war has resulted in a temporary regime limiting transmission of the power generated and in the deferral of regulated tariff payments, a situation that has significantly cut the revenues received by the plants in recent months. In the judgement of the Group finance department, this adverse scenario is evidence of impairment and it has therefore carried out tests, which revealed impairments totalling €35 million in respect of these assets (see Notes 4 and 20). In these circumstances, the Group has also amended the criteria applied to record income from the plants affected, switching from accruals-based to cash-based recognition until such time as greater certainty may exist with regard to the end of the conflict and its consequences. This accounting exception is immaterial to the half-year condensed consolidated financial statements taken as a whole. In any event, the Group remains steadfastly committed to its investments in Ukraine, and its Directors continue to be responsible for all operational and financial decisions affecting the activity of the plants despite the technical restrictions legitimately imposed by the Ukrainian government.

The inexorable rise in electricity prices in Spain, driven mainly by soaring gas prices, has pushed the Spanish Government to adopt a raft of measures to cut the cost of power billed to both households and businesses. The actions taken include the approval of Royal Decree-Law 6/2022 of 29 March on the adoption of urgent measures within the framework of the National Plan in response to the economic and social consequences of the war in Ukraine, and Royal Decree-Law 10/2022 of 13 March, which establishes a temporary production costs adjustment mechanism to reduce wholesale market electricity prices.

The first of the above-mentioned statutory instruments created an exceptional regulatory half period of only one year (2022), bringing the recalculation of the remuneration parameters applicable to renewable generating facilities subject to specific remuneration forward to 1 January 2022 from 2023 as originally scheduled. This measure cut investment remuneration by an estimated €48 million in the first six months of 2022 compared to the same period of the prior year (Ministerial Order on remuneration parameters applicable in 2022, pending approval). The resulting fall in revenues, which directly impacts the Group's financial position, was cushioned in the income statement by the reduction in the regulatory adjustment recognised in respect of the increase in the estimated benchmark market prices applied in the banding mechanism.

The second measure involved joint action with the Portuguese government through the so-called "Iberian exception" to create a temporary 12-month mechanism designed to hold down the end price paid by retail electricity consumers by limiting the gas cost component included in the wholesale energy pool price. Regardless of its actual price, then, gas was included in the pool at a price of €40/MWh in the six months to June, which will be increased by €5/MWh per month in the second half of the year to reach a maximum of €70/MWh. The difference between the actual price of gas and the capped pool price will be shared by all energy system operators.

No other significant matters arose in relation to international assets in the period aside from the situation affecting the photovoltaic facilities in Ukraine as described above.

Infrastructure

The collateral effects of the war, especially soaring raw materials and energy prices, have had some impact on the construction, operation and maintenance of water treatment facilities.

Legislative changes have been made in some key construction markets, e.g. Spain and Poland, allowing reappraisal of public contracts that do not already contain price review clauses, or amendment of such clauses where necessary to ensure contract income is sufficient to absorb most of the increase in construction costs. In particular, Spanish Royal Decree-Law 3/2022 of 1 March (which has since been amended by Royal Decree-Law 6/2022) adopted "... exceptional measures with regard to price reviews in public works contracts", among others, affecting public works contracts awarded by any national public sector entity currently in progress or tendered, awarded or formalised upon the entry into force of the statutory instrument (or announced on the official contracting platform within one year of such entry into force). Meanwhile, the scope of application of the aforementioned Royal Decree-Law may be extended to Spain's Autonomous Communities, where so agreed by the regional authorities. At the date of preparation of these half-year financial statements, all of the Autonomous Communities have adopted this legislation with the exception of the Autonomous Cities of Ceuta and Melilla.

In Poland, the office of public contracting has issued a decision authorising the amendment of contracts to raise the contract price in response to increases in production costs. Pursuant to this authorisation, the Polish government has approved an increase on the financial ceiling applicable to the National Roads and Highways Works Programme. Among other measures, this raises the cap on contractual price reviews to 10%, if lower. The Polish Directorate General for Roads and Highways, which is the main state investor, has commenced the negotiation of draft riders to update contract prices.

Meanwhile, many of the contracts already in progress and all of the projects recently awarded or put out to tender in almost all jurisdictions now include price review or cost-sharing mechanisms (public-private partnership contracts, which are very common in the Australian market). The Group manages contracts with customers individually on an ongoing basis where they do not already include price review formulas or establish mechanisms that do not cover all cost increases, in order to align the income earned on projects with rising costs. This active management approach also

addresses technical issues such as the use of materials (e.g. by substituting higher quality steel in order to reduce the amount of metal needed).

Rising electricity prices have also depressed earnings on some contracts for the operation and maintenance of water treatment facilities, since power is a major input in this business. These impacts have been claimed from customers under the financial adjustment clauses contained in contracts.

In short, inflationary pressures have had only a limited impact on the businesses comprising the Infrastructure segment of the Group's activity to date, thanks to active contract and technical management, and the approval of legislation to mitigate impacts.

Other activities

Bestinver

Both the US Federal Reserve and the European Central Bank have found themselves obliged to tighten monetary policy in response to inflationary drift. Tighter monetary policy coupled with waning business and consumer confidence presage bleak economic conditions to come. Asset prices have fallen sharply in this context. In the year to date, the S&P index has shed 20.65%, while the Stoxx 600 has dropped 16.5%. Meanwhile, the Ibex 35 index is off by 4.1%. This general fall in the stock markets has had a negative impact on the funds managed by Bestinver, which shrank by 22% in the first six months of the year, in turn affecting the volume of fee income earned from fund members.

Nordex

The war has further hurt the already sickly activity of Nordex SE. The Covid-induced supply chain disruptions that have affected the company in the last two years have been compounded in recent months by rising commodities prices and the strict lockdowns ordered in various Chinese cities as a result of the country's strict zero Covid policy. On 24 May 2022, Nordex SE updated its forecasts for the year, which it had initially reported to the market on 29 March. According to the updated information, sales are expected to drop to between €5.2 and 5.7 billion, while the EBITDA margin will be in a range of -4% to 0%. Nordex lost €151 million in the first three months of 2022 on an EBITDA margin of -9.5%, and no change in trend is expected until the second half of the year according to the information disclosed by the company in the presentation of its first quarter results. This situation also impacted the company's financial position. Nordex SE has found itself obliged to increase share capital twice to ease cash flow tensions in (i) a private placement of 10% issued on 26 June, which was subscribed in its entirety by Acciona for a total of €139.2 million, and (ii) an offering of 35,923,089 new shares made to all shareholders for a total of €212 million, which was completed on 26 July. Acciona subscribed 17,014,283 shares, raising its interest to 40.97% (Note 22).

Paradoxically, the war has only underscored the need to commit to renewable energy as a means of ending dependence on fossil fuels by substituting clean, sustainable alternatives, especially in view of the now permanent threat that Russia will cut off gas supplies. This has ushered in significant growth in renewables, driven by governments and other institutions, from which Nordex SE will be able to benefit as it returns to profits.

Despite the impact on the Ukrainian renewable assets directly affected by the war and subject to the caveats that must inevitably accompany any estimates made in such an uncertain context, the Directors consider that the solvency of the Group's activities and the diversity of its markets have prevented any material impacts on these condensed consolidated financial statements as at and for the six-month period ended 30 June 2022.

c. Contingent assets and liabilities

Note 19 to Acciona Group consolidated annual accounts for the year ended 31 December 2021 presents information on contingent assets and liabilities at said date. There were no material changes in the contingent assets and liabilities of the Acciona Group in the first half of 2022, except as described in Note 14 below.

d. Comparative information

The information contained in these condensed consolidated financial statements with regard to the first half of 2021 and the year ended 31 December 2021 is presented solely and exclusively for the purposes of comparison with the information pertaining to the six-month period ended 30 June 2022.

e. Seasonal nature of the Group's operations

Most of the activities carried on by the Acciona Group companies are not particularly cyclical or seasonal by nature. However, the Group's airport handling activity does have a seasonal component affecting revenue generation, which is concentrated in the summer months. Furthermore, the revenues of some energy division businesses, e.g. wind and hydroelectric generating, also display a certain seasonality. However, this does not significantly affect the comparability of information, and no specific breakdowns in this respect are therefore required in these explanatory notes to the condensed consolidated financial statements for the six-month period ended 30 June 2022.

f. Materiality

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

g. Consolidated cash flow statement

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

- Cash flows: inflows and outflows of cash and cash equivalents, which are taken to be changes in the value of highly liquid short-term investments.
- Operating activities: the main revenue-producing activities of the company and other activities that are not investing or financing activities. Based on the profit before tax from continuing operations and the adjustment made for *Depreciation and amortisation of assets and changes in provisions and impairment*, transfers of interest paid and received are separately recognised under *Other adjustments to profit (net)*, in addition to the transfer of gains or losses on disposal of assets included under investment activities and, lastly, adjustments made to the profit or loss of companies accounted for using the equity method and, in general, any results that do not generate cash flows.
- Investing activities: acquisition, sale or disposal in any other way of long-term assets or other investments not included in cash and cash equivalents.
- Financing activities: non-operating activities that result in changes in the size and composition of equity and borrowings.

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

3. Changes in the structure of the Group

Appendices I, II and III to the consolidated annual accounts of the Acciona Group as at and for the year ended 31 December 2021 provide relevant information on subsidiaries, jointly-controlled entities, associates and joint ventures. Acciona recognises all additions to the Group arising from business combinations applying the acquisition method.

In October 2021, the Group agreed to acquire an 85% ownership interest in the share capital of the French concern Eqinov, S.A.S. ("Eqinov") from its shareholders, subject to the fulfilment of certain conditions precedent related with competition regulations applicable in France and confirmation of the award of operating licences to the target company.

The acquisition of Eqinov was finally completed upon the fulfilment of the conditions precedent in January 2022, and the company was integrated as a fully consolidated subsidiary of the Group. The total acquisition price paid was €78 million. A detail of this business combination is as follows (expressed in millions of euros):

Company	Cost of acquisition	Percentage interest acquired	Provisional fair value of the company's assets and liabilities	Goodwill
Eqinov, S.A.S.	78	85.00%	21	60

The provisional fair value of the assets and liabilities of Eqinov, S.A.S. at the date of the takeover was as follows (expressed in millions of euros):

	Eqinov 01.01.22
Identifiable assets	
Other intangible assets	3
Other non-current assets	1
Non-current assets	4
Current assets	45
Total identifiable assets	49
Identifiable liabilities	
Non-current liabilities	1
Current liabilities	27
Total identifiable liabilities	28
Total net identifiable assets	21

Goodwill of €60 million was recognised in respect of the difference between the fair value and acquisition cost of the net assets acquired.

The company acquired specialises in the provision of energy efficiency and management services to corporate clients. The transaction represents the Group's entry into the French market, where it will have the opportunity to include its own renewables and self-consumption solutions and projects in Eqinov's existing low-carbon energy services proposal.

The Acciona Group will now also be able offer the company's energy services to its global customer portfolio in all of the markets where it operates, beginning with Spain.

The net revenues contributed by Eqinov, S.A.S. between the effective date of acquisition and 30 June 2022 totalled €18.9 million, on which it made a net loss after tax of €1.0 million. The newly acquired company's functional currency is the euro.

In June 2022 the Corporación Acciona Energías Renovables subgroup, which is 82.66% owned by Acciona, sold its 50% shareholdings in the associates Desarrollo de Energías Renovables de Navarra, S.A. and Parque Eólico Cinseiro, S.L., and its 25% interest in the associate Explotaciones Eólicas Sierra de Utrera, S.L. At the date of the sale, these companies owned five wind farms with 121 MW of installed generating capacity. The sale price of €32 million produced a net gain of €8.4 million for the Group, which was recognised in the consolidated income statement for the six-month period ended 30 June 2022 under *Impairment and profit/(loss) on disposals of non-current assets*.

At 31 December 2021 the Acciona Group held a 33.33% interest in the concession operator Windsor Essex Mobility Group GP, whose corporate purpose consists of the construction, financing, operation and maintenance of the Right Honourable Herb Gray Parkway road infrastructure project in Canada. On 24 March 2022, the Acciona Group entered into a share purchase agreement for 75% of the ownership interest held in the concession operator, subject to the fulfilment of certain conditions precedent. These conditions had been fulfilled at 30 June 2022, and the transfer of the shares took effect for a sale price of CAD 27 million (€20 million).

Following this transaction, the Acciona Group no longer exercises significant influence over the company, and as a result 100% of the investment formerly held was deconsolidated and the remaining 8.3% shareholding still owned by the Group was reclassified to *Other non-current financial assets* in the consolidated balance sheet at fair value for a total of €6.7 million.

The net proceeds of €21 million generated on this transaction were recognised in the consolidated income statement under *Impairment and profit/(loss) on disposals of non-current assets*.

There were no other additions or disposals of significant shareholdings during the six month period ended 30 June 2022 in addition to the transactions described above.

4. Property, plant and equipment

Changes in cost and accumulated depreciation in the first six months of 2022 and 2021 were as follows (expressed in millions of euros):

<i>Property, plant and equipment</i>	Land and buildings	Electricity generating facilities	Other plant and machinery	Advances and PPE under construction	Other PPE	Depreciation	Impairment	Total
Six-month period ended 30 June 2021								
Balance at 31.12.2020	338	11,619	762	773	235	-5,680	-619	7,428
Changes in the consolidation perimeter			5		2	-3		4
Additions / Charge for the year	1	5	24	286	9	-210		115
Retirements		-1	-57		-4	38	5	-19
Transfers		376	-9	-368				-1
Other changes	-1	123	8	18	4	-35	-5	112
Balance at 30.06.2021	338	12,122	733	709	246	-5,890	619	7,639

	Six-month period ended 30 June 2022							
Balance at 31.12.2021	427	12,619	736	749	247	-6,087	-625	8,066
Changes in the consolidation perimeter								--
Additions / Charge for the year	10	33	38	413	9	-209	-36	258
Retirements			-47	-1	-3	37		-14
Transfers		53	17	-56	-17	3		--
Other changes	2	460	21	30	8	-140	-13	368
Balance at 30.06.2022	439	13,165	765	1,135	244	-6,396	-674	8,678

The principal change in the six-month period ended 30 June 2022 consisted of additions to Energy division *PPE under construction* for a total of some €380 million, mainly comprising wind farms in Australia, Peru and Spain, and solar photovoltaic generating plants in the United States and Spain.

The *Celadas Fusión* wind farm entered service in Spain in the first half of 2022, resulting in the recognition of transfers from *PPE under construction* to *Electricity generating facilities* for a total of €53 million.

Additions to electricity generating facilities included the acquisition of five wind farms owned by the associate Desarrollo de Energías Renovables de Navarra, S.A. before it was excluded from the consolidated perimeter (see Note 3 above). These wind farms have 72 MW of installed generating capacity and were purchased for a total of €27 million.

Other changes include net gains on translation differences totalling €369 million in the six-month period ended 30 June 2022, which were obtained mainly from generating facilities located in the United States, Chile and Mexico, whose financial statements are denominated in US dollars, and from facilities located in Australia and Canada due in each case to local currency appreciation against the euro (net gain of €115 million in the six-month period ended 30 June 2021).

In accordance with its internal procedures, the Group has tracked the yield trends of its main assets throughout the period, assessing fulfilment of or deviations from the main assumptions and estimates underlying the impairment tests carried out at 31 December 2021, as well as relevant regulatory, economic and technological changes arising in the markets where the assets operate, in order to ensure that adequate provisions are set aside for impairments identified in the six months to 30 June 2022. No relevant issues were identified in the first half of 2022 other than the situation affecting generating assets located in Ukraine.

In view of the situation in Ukraine (see Note 2.b above), the Group has updated its impairment tests of solar photovoltaic generating assets located in the country at 30 June 2022 and has recognised impairments totalling €35 million in the accompanying consolidated income statement under *Impairments and profit/(loss) on disposals of non-current assets*.

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. In the current circumstances, value in use was found to exceed the market value of the assets at the time of valuation.

The main assumptions made for the estimation of future cash flows were as follows:

- Power generation: Output was estimated based on the plants' normal generating capacities, adjusted to take into account the limitations on generating currently imposed by Martial Law for the duration of the conflict. For the purposes of the impairment test, it was assumed that the war will continue until mid 2023 and that its effect will continue to be felt for one year after fighting ends, i.e. until mid 2024. Accordingly, the production of power in the period from June 2022 to June 2023 was assumed to be 10% of normal generating output, increasing by 50% and 75% in the following two six-month periods, respectively, until normal levels are regained in June 2024.

- **Prices:** The price obtained for the power generated by the Group's solar photovoltaic plants in Ukraine is based on a fixed-price power purchase agreement (PPA) with a term of 10 years ending in 2030. Thereafter, the plants will receive market prices for the power generated until the end of their useful lives. The market price is estimated by the Group based on currently available information. Under Martial Law, only 15% of the amount payable under normal circumstances will be settled while hostilities continue, although no actual price cut will be applied. This measure was considered in the impairment test, and it was estimated that the remaining price due for the power produced during this exceptional period will be received in the second half of 2025.
- **Discount rate:** A discount rate of 18.5% was assumed, which includes both the trend in euro borrowing rates and the risk premiums associated with the assets and with the situation of each one, to the extent not already addressed in the projections.

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

- **Increase/Decrease in WACC: +/- 0.5%**
- **Increase/Decrease in prices: +/- 2.5%**
- **Increase/Decrease in power generated: +/- 10%**

Assumption	Swing	Impact (million of euros)
Discount rate (WACC)	-0.5%	(1.1)
	+0.5%	1.1
Price	-2.5%	0.3
	2.5%	(0.3)
Production	-10%	6.2
	10%	(5.9)

Based on the results of the sensitivity analysis:

- A -0.5% decrease in the discount rate would reduce impairment by €1.12 million, while a +0.5% increment would result in an additional impact of €1.08 million.
- A -2.5% fall in the price of power would increase impairment by €0.29 million, and a +2.5% increment would reduce it by €0.29 million.
- A -10% fall in the power generated would increase impairment by €6.24 million, and a +10% increment would reduce it by €5.87 million.

At 30 June 2022, the Group companies had commitments to purchase property, plant and equipment totalling €1,561 million in the Energy division for use in wind and photovoltaic projects currently under construction in the United States and Spain (€1,211 million at 31 December 2021).

5. Investment property

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

Changes in cost and accumulated depreciation in the first six months of 2022 and 2021 were as follows (expressed in millions of euros):

<i>Investment property</i>	Cost	Depreciation	Impairment	Total
Six-month period ended 30 June 2021				
Balance at 31.12.2020	63	-4	-13	46
Additions	1	-1		--
Disposals	-3		2	-1
Transfers	-10			-10
Other changes				--
Translation differences				--
Balance at 30.06.2021	51	-5	-11	35

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

The principal change in the first six months of 2022 was the addition of two office buildings under construction in Madrid for a total of €17 million.

Investment property under construction amounted to €62.5 million at 30 June 2022 (€42 million at 31 December 2021), and firm commitments existed in connection with the termination of work in progress for a total of €20 million.

No impairments were found in the first six months of 2022 based on the Group's analysis of property market trends, and no material losses arose in addition to those already covered by the provisions set aside at 31 December 2021.

The Group had mortgaged a part of its investment property at 30 June 2022 to secure certain loans granted by banks. The net carrying amount of the mortgaged assets is not significant.

6. Leases

6.1 Right of Use

Changes in cost and accumulated depreciation in the first six months of 2022 and 2021 were as follows (expressed in millions of euros):

<i>Right of use</i>	Land and natural resources	Buildings	Technical installations	Machinery and vehicles	Other RoU	Depreciation	Impairment	Total
Six-month period ended 30 June 2021								
Balance at 31.12.2020	316	92	101	155	1	-167		498
Additions / Charge for the period	16	6	1	18		-47		-6
Retirements	-2	-1		-5		6		-2
Transfers								--
Changes in the consolidation perimeter		7						7
Other changes	5	1	2	2		-5		5
Balance at 30.06.2021	335	105	104	170	1	-213		502
Six-month period ended 30 June 2022								
Balance at 31.12.2021	352	126	101	214	1	-266		528
Additions / Charge for the period	8	13	2	57		-66		14
Retirements	-2	-21		-14	-1	35		-3
Transfers				-2		1		-1
Changes in the consolidation perimeter								--
Other changes	14	4	7	6		-8		23
Balance at 30.06.2022	372	122	110	261		-304		561

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

Additions in the first half of 2022 arose from the recognition of right-of-use construction machinery and vehicles used in Infrastructure projects, in particular contracts related with the construction of Line 6 of the São Paulo Metro in Brazil. Right-of-use land was also recognised by the Energy division in connection with solar photovoltaic projects in the United States.

Retirements recognised in the first half of 2022 comprise mainly expired leases in respect of fully depreciated assets and certain residual amounts under leases terminated in advance.

The Group recognised interest expenses of €15 million and depreciation charges totalling €66 million associated with lease contracts in the consolidated income statement for the six-month period ended 30 June 2022 (€14 and €47 million, respectively, in the six months ended 30 June 2021).

The Group also recognised an expense of €48 million in the consolidated income statement for the six-month period ended 30 June 2022 (€41 million at 30 June 2021) associated with leases subject to the exceptions established in IFRS 16 for low-value and short-term leases contracts (i.e. the value of the underlying assets when new is less than €5,000, or the lease has a term of less than twelve months), and an expense of €14 million in respect of variable rents (€9 million at 30 June 2021).

6.2 Non-current and current lease obligations

The balance of liabilities associated with lease contracts at 30 June 2022 and 31 December 2021 was as follows (expressed in millions of euros):

	30 June 2022			31 December 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Lease obligations	81	438	519	68	430	498
Obligations under finance leases (Note 15.a)	15	42	57	16	39	55
Total lease obligations	96	480	576	84	469	553

The Group made payments in respect of operating lease obligations totalling €77 million in the first half of 2022, comprising interest of €13 million and principal of €64 million.

7. Goodwill

Goodwill carried in the accompanying consolidated balance sheets at 30 June 2022 and 31 December 2021 was as follows (expressed in millions of euros):

	Balance at 30/06/22	Balance at 31/12/21
Geotech Holding Subgroup	112	108
Acciona Facility Services Subgroup	54	53
Acciona Agua Subgroup	28	28
Scutum Logistic, S.L.	17	17
Bestinver Subgroup	19	19
Andes Airport Service, S.A.	14	14
Acciona Cultural Engineering Subgroup	9	9
Corporación Acciona Energías Renovables Subgroup	60	
Other		1
Total	313	249

No matters have arisen in relation to the goodwill carried in the balance sheet at 31 December 2021 which might indicate that the hypotheses and assumptions considered at the time of the purchase price allocation had changed significantly at 30 June 2022, and that it might therefore have been necessary to update the impairment tests carried out in 2021.

The update of impairment tests carried out on the different subgroups in 2021 did not reveal any need to recognise impairments.

The Group recognised goodwill of €60 million in the first half of 2022 following the acquisition of Eqinov, S.A.S. in January (see Note 3).

Translation differences resulting in net exchange gains of €3,8 million were recognised at 30 June 2022 (net gain of €1,7 million at 31 December 2021), basically due to fluctuations in the Chilean peso and Australian dollar exchange rates.

The policies applied by the Acciona Group to impairment testing of intangible assets, property, plant and equipment, and goodwill are described in Note 4.2 F) of the consolidated annual accounts as at and for the financial year ended 31 December 2021.

8. Other intangible assets

Changes in cost and accumulated amortisation in the first six months of 2022 and 2021 were as follows (expressed in millions of euros):

Other intangible assets	Develop- ment	Concessions	Computer software	Advances	Other	Amortisa- tion	Impairment	Total
Six-month period ended 30 June 2021								
Balance at 31.12.2020	28	609	84	17	88	-420	-6	400
Changes in the consolidation perimeter	7	43	1			-8		43
Additions / Charge for the year	2	2	5		1	-28		-18
Retirements			-1			1		--
Transfers	1		1					2
Other changes		5				-2		3
Balance at 30.06.2021	38	659	90	17	89	-457	-6	430
Six-month period ended 30 June 2022								
Balance at 31.12.2021	37	677	103	25	98	-482	-5	453
Changes in the consolidation perimeter	1	12				-2		11
Additions / Charge for the year	3	2	6	5		-32		-16
Retirements								--
Transfers								--
Other changes		20			1	-6		15
Balance at 30.06.2022	41	711	109	30	99	-522	-5	463

Changes in the consolidation perimeter include additions totalling €13 million arising from the acquisition of Eqinov, S.A.S. and certain companies holding renewable energy project rights.

Additions include €6 million in respect of computer software purchased in the context of the ongoing process of digitisation and investment in new technologies.

Other changes comprise basically translation differences arising in the six-month period ended 30 June 2022, resulting in a net gain of €16 million (net gain of €4 million euros in the six months to 30 June 2021), basically due to the American dollar and the Mexican peso.

Concessions at 30 June 2022 and 31 December 2021 were as follows (expressed in millions of euros):

Concessions	30.06.22				31.12.21			
	Cost	Amortisation	Impairment	Total	Cost	Depreciation	Impairment	Total
Administrative concessions	344	-153	-5	186	321	-145	-5	171
Service concessions (IFRIC 12)	367	-201		166	356	-188		168
Total	711	-354	-5	352	677	-333	-5	339

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

No significant impairments were recognised at 30 June 2022 and 31 December 2021 and there were no impairment losses that were not covered by existing provisions.

At 30 June 2022 and 31 December 2021 the Group companies had commitments totalling €4 and 5 million, respectively, to acquire intangible assets mainly for Water division concession projects.

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

9.1 Non-current and current financial assets

A breakdown of non-current and current financial assets carried in the consolidated balance sheet at 30 June 2022 and 31 December 2021, presented by type and category for measurement purposes, is as follows (expressed in millions of euros):

30.06.22					
<i>Financial Assets Type / Category</i>	Financial Assets recognised at fair value with changes in profit or loss	Financial assets at fair value with changes in the consolidated statement of recognised income and expense	Financial assets carried at amortised cost	Hedging derivatives	Total
Equity instruments	47				47
Debt securities					
Derivatives				22	22
Other current financial assets			170		170
Long-term / Non-current	47		170	22	239
Equity instruments	17				17
Other loans and receivables			93		93
Derivatives				1	1
Other current financial assets			171		171
Short-term / Current	17		264	1	282
Total	64	0	434	23	521

31.12.21					
<i>Financial Assets Type / Category</i>	Financial Assets recognised at fair value with changes in profit or loss	Financial assets at fair value with changes in the consolidated statement of recognised income and expense	Financial assets carried at amortised cost	Hedging derivatives	Total
Equity instruments	51	2			53
Debt securities					
Derivatives					
Other current financial assets			166		166
Long-term / Non-current	51	2	166		219
Equity instruments	2				2
Other loans and receivables			107		107
Derivatives				6	6
Other current financial assets			103		103
Short-term / Current	2		210	6	218
Total	53	2	376	6	437

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, S.A. to operate in the daily and future electricity trading markets. The guarantee deposits extended by Acciona Green Energy, S.A. and recognised in *Other current financial assets* increased by €31 million in the first half of 2022.

The line *Other loans and receivables* reflects occasional investments and short-term deposits as well as funds allocated by the Energy division and the Concession business to debt service reserve accounts in accordance with the terms of

the project finance agreements in force, in order to ensure due performance of upcoming debt repayments. The balance decreased by €15 million in the first six months of 2022, mainly as a result of the cancellation of six project finance facilities now funded by way of corporate debt (see Note 15).

No material impairment losses arose in respect of non-current and current financial assets in the first six months of 2022.

9.2 Investments accounted for using the equity method

Changes in this line of the consolidated balance sheet in the first six months of 2022 and 2021 were as follows (expressed in millions of euros):

	Balance at 31/12/20	Share in profit/(loss) before tax	Dividend	Tax effect and other changes	Changes in scope of consolidation and contributions	Other changes	Balance at 30/06/21
<i>Direct and indirect investments</i>							
<i>Direct investments of the Parent Company</i>							
Nordex SE	747	-18		-1		-22	706
Subtotal, direct investment	747	-18		-1		22	706
<i>Indirect investments of the Parent Company</i>							
Indirect investments of the Acciona Energía Subgroup	237	21		-2		8	264
Indirect investments of the Ceatesalas Subgroup	108	6	-7	-2			105
Indirect investments of the Acciona Construcción Subgroup	1	1	-1			2	3
Indirect investments of the Acciona Concesiones Subgroup	37	13	-1	-4	-2	3	46
Indirect investments of the Acciona Agua Subgroup	86	8	-5	-1	4	2	94
Indirect investments of the Acciona Inmobiliaria Subgroup	11				2		13
Other	1	1				-3	-1
Subtotal, indirect investment	481	50	-14	-9	4	12	524
Total	1,228	32	-14	-10	4	-10	1,230

<i>Direct and indirect investments</i>	Balance at 31/12/21	Share in profit/(loss) before tax	Dividend	Tax effect	Changes in the consolidation perimeter and contributions	Other changes	Balance at 30/06/22
Direct investments of the Parent Company							
Nordex SE	847	-108		5	139	-28	855
Subtotal, direct investment	847	-108	--	5	139	-28	855
Indirect investments of the Parent Company							
Indirect investments of the Acciona Energía Subgroup	251	27	-42	-9	3	15	245
Indirect investments of the Ceatesalas Subgroup	49	33	-14	-10	-4	56	110
Indirect investments of the Acciona Construcción Subgroup	4					9	13
Indirect investments of the Acciona Concesiones Subgroup	58	8	-1	-2	102	18	183
Indirect investments of the Acciona Agua Subgroup	101	11	-2	-3		22	129
Indirect investments of the Acciona Inmobiliaria Subgroup	14				7	-1	20
Other	1				29		30
Subtotal, indirect investment	478	79	-59	-24	137	119	730
Total	1,325	-29	-59	-19	276	92	1,585

The Group subscribed 16,002,103 new shares in the capital increase carried out by Nordex, SE on 26 June 2022, 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 reflected under *Changes in the consolidation perimeter and contributions*. The Acciona Group held 33.63% of Nordex, SE before the capital increase, which raised the percentage investment in share capital to 39.66%.

Changes in the consolidation perimeter and contributions also reflect capital contributions totalling €101 million made by the Concessions business to the associate holding the concession contract for the construction, operation and maintenance of Line 6 of the São Paulo Metro.

Finally, the heading *Other* reflects 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) for 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.

The remaining changes in *Changes in the scope of consolidation and contributions* comprise additional contributions and reimbursements of capital contributed to companies in which the Group already held investments. These movements did not result in any changes in the percentage interests held.

Other changes reflects variations due to derivatives, translation differences, and the effect of reclassifying loss-making investments accounted for using the equity method as constructive obligations recognised under *Non-current provisions*. Net income recognised on the underlying transactions in the first six months of 2022 totalled €7 million.

In line with its normal policy of prudence and ongoing tracking of its investments, the Group updated impairment tests relating to Nordex SE, which is listed on the Frankfurt and other German stock exchanges, at 30 June 2022, applying the principal assumptions used in the model to the latest public information released by Nordex SE and industry forecasts published by specialist external sources.

The impairment test resulted in value in use equal to €1,114 million, which is more than the carrying amount of the investment. While the market price of the shares was below their carrying amount at 30 June 2022, the Acciona Group considered this a temporary setback that did not reflect any impairment of the intrinsic value of the business or of the company's medium to long-term financial performance, and that would not compromise Acciona's strategy of generating returns from the materialisation of synergies resulting from the planned expansion of its position in the wind generating value chain.

The methodology used to calculate value in use, which is described in Note 4.2.F) of the consolidated annual accounts for the year ended 31 December 2021, employed the discounted cash flows approach calculated at a rate (WACC) established in view of the risks inherent in the company's business and the different markets where it operates. For the discount, a cash flow projection covering a five-year period (2022-2026) was calculated, and a terminal value representing the value of cash flows as of the sixth year was determined based on estimates of normalised cash flows.

These forecasts were estimated based on the most recent information published by the company, which anticipated the current adverse macroeconomic and geopolitical situation, rising costs due to supply chain breaks associated mainly with the impact of COVID-19 in China, and additional costs due to the reorganisation of production announced by the company, mitigated by its foreseeable capacity to pass on higher costs in new orders. Changes were also made to assumptions regarding sales of wind turbines, which were adjusted taking into consideration the latest estimates published by Nordex in connection with its objectives for 2022 and the forecasts contained in the industry report utilised in prior years' impairment tests, which reflect the expected average annual growth for the wind power industry in the coming years.

The growth in sales for the normalised period, which served as the basis for the calculation of terminal value ("g" parameter), was estimated at 1.5%, despite the industry outlook, which would support faster growth due to the urgent need to materialise renewables investment policies worldwide to replace conventional energy sources in view of the current geopolitical situation in Europe. Given the inherent uncertainty of such long-run projections, however, it was considered that 1.5% was a reasonable growth rate.

The cash flows were discounted applying an after-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 €75 million or a positive impact of €87 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 €80 million or a negative impact of €70 million.

10. Other non-current assets

Other non-current assets at 30 June 2022 and 31 December 2021 were as follows (expressed in millions of euros):

	30.06.22	31.12.21
Non-current trade receivables	364	414
Non-current prepayments and accrued income receivable	24	24
Concessions under the non-current financial asset model	33	30
Total other non-current assets	421	468

Non-current trade receivables at 30 June 2022 and 31 December 2021 comprise basically amounts recognised at amortised cost due from customers and other trade receivables generated in the course of operations maturing in more than one year, as well as amounts withheld by way of guarantee, as is customary in the construction business.

The Energy division recognises the fair value of energy derivatives in different countries through *Other non-current and current assets*. The principal amount in this regard relates to Spain, where the fair value of hedging derivatives acquired by the Group's energy trading affiliate totals €55 million (€115 million at 31 December 2021) comprising forward energy purchases under contracts for differences arranged to eliminate the price risk related with fixed price energy supply agreements. This line also include a balance of €35 million in respect of a commodities derivative recognised at fair value, which was contracted by a Chilean affiliate to hedge the supply of power to a customer at an inflation-adjusted 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 (€32 million at 31 December 2021).

At 30 June 2022 and 31 December 2021 the line *Concessions under the non-current financial asset model* includes the balance receivable beyond one year on concessions treated as financial assets in accordance with IFRIC 12, given the existence of an unconditional right to compensation for the investment made to date. The current portion of this unconditional right was recognised in *Trade and other receivables* on the basis of the amounts expected to be received from the grantors of the concessions under the different economic and financial plans. The balance reclassified to short term was €6 million at 30 June 2022 and €5 million at 31 December 2021. The principal project in the concessions activity is the operation of a hospital in Mexico by Hospital de León Bajío, S.A. de C.V. The balance receivable in this respect is €32 million. Also, the Acciona Group was awarded the concession to design, build and operate the Hospital de La Serena in the Coquimbo region of Chile in the first half of 2022. The Group had entered into firm commitments worth €253 million in respect of this asset at 30 June 2022.

11. Inventories

The balance of *Inventories* at 30 June 2022 was €1,429 million (€1,210 million at 31 December 2021), mainly comprising inventory properties with a net carrying amount of €940 million (€843 million at 31 December 2021), presented net of provisions totalling €313 million (€315 million at 31 December 2021).

The net carrying amount of mortgaged inventory properties was €396 thousand at 30 June 2022 and €516 thousand at 31 December 2021, mostly related to property developments.

Commitments to sell property developments to customers totalled €534 million 30 June 2022 (€451 million at 31 December 2021).

The most significant additions in 2022 reflect acquisitions of land in Spain and Poland for a total of €29 million euros.

Disposals of inventories in the first half of 2022 comprised mainly the sale of a student residence in Granada (Spain) with a cost of sale of €16 million.

Developments in progress increased by €48 million.

Translation differences in respect of inventory property resulting in gains of €13 million were recognised at 30 June 2022, mainly as a result changes in the Mexican peso exchange rate.

Finished developments with a net carrying amount of €15 million have been sold.

Based on the Group's analyses of trends in the different real estate markets in which it operates (basically Spain, Poland, Mexico and Portugal), no significant changes or evidence of additional impairment were found in the first half of 2022, and the carrying amounts of inventory properties as measured at 31 December 2021 were therefore not updated.

The Group had various commitments to purchase land in Spain for a total of €36 million subject to various conditions precedent (€63 million in respect of land in Spain, Portugal and Poland at 31 December 2021).

12. Assets and liabilities held for sale

Non-current assets held for sale reflected in the accompanying consolidated balance sheet at 30 June 2022 and 31 December 2021 were as follows:

	Balance at 30.06.2022	Balance at 31.12.2021
Infrastructure division assets (Restructure Investment Notes)	310	303
Total non-current assets held for sale	310	303

The main assets at 30 June 2022 and 31 December 2021 prior to their classification as held for sale were as follows:

	Balance at 30.06.2022	Balance at 31.12.2021
Other non-current assets	5	
Non-current receivables and other non-current assets	304	303
Cash and cash equivalents	1	
Assets held for sale	310	303

The main liabilities associated with non-current assets held for sale (*Liabilities held for sale*) in the accompanying consolidated balance sheet at 30 June 2022 and 31 December 2021 were as follows:

	Balance at 30.06.2022	Balance at 31.12.2021
Infrastructure division liabilities (Restructure Investment Notes)	228	263
Total non-current liabilities held for sale	228	263

The main liabilities at 30 June 2022 and 31 December 2021 prior to their classification as held for sale were as follows:

	Balance at 30.06.2022	Balance at 31.12.2021
Non-current bank borrowings	228	262
Other non-current liabilities		1
Liabilities held for sale	228	263

The cumulative income and expenses recognised directly in equity at 30 June 2022 and 31 December 2021 in relation to assets classified as held for sale totalled €225 thousand and €55 thousand, respectively.

Long-term "Restructure Investment Notes" ("RINs") were classified under *Non-current assets and liabilities held for sale* at 30 June 2022, the carrying amount of which was €304 million prior to their classification as held for sale together with the associated liabilities. The Acciona Group has held the RINs through one of its Australian subsidiaries since 2019, following the compensation agreements reached with Transport for New South Wales, a customer, in the context of the design and construction contract for a tramway in the Australian city of Sydney. The Group considers it highly likely that the RINs will be sold in the short term.

13. Equity

13.1 Subscribed and registered share capital

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

Based on the notices received by the Company, the owners of significant direct and indirect equity interests at 30 June 2022 and 31 December 2021 were as follows:

	30.06.22	31.12.21
Tussen de Grachten, BV	29.02%	29.02%
Wit Europesse Investerings, BV	26.10%	26.10%

13.2 Share premium and reserves

The share premium and reserves at 30 June 2022 and 31 December 2021 were as follows (expressed in millions of euros):

	30.06.22	31.12.21
Share premium	170	170
Legal reserve	11	11
Redeemed capital reserve	13	13
Statutory reserve	845	759
Capitalisation reserve, Spanish Law 27/2014	44	16
Voluntary reserves	3,124	3,244
Consolidated reserves	366	32
Subtotal, reserves	4,403	4,075
Translation differences	-76	-302
Total reserves and share premium	4,497	3,943

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

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

13.3 Treasury shares

Changes in treasury shares in the six-month periods ended 30 June 2022 and 2021 were as follows (expressed in millions of euros):

	30.06.22		30.06.21	
	Number of shares	Millions of euros	Number of shares	Millions of euros
Opening balance	206,199	18	296,422	22
Additions	815,546	139	793,694	106
Retirements	-807,931	-137	-783,822	-104

	30.06.22		30.06.21	
	Number of shares	Millions of euros	Number of shares	Millions of euros
Liquidity contract movements	7,615	2	9,872	2
Additions				
Retirements	-45,106	-3	-96,587	-7
Other movements	-45,106	-3	-96,587	-7
Final balance	168,708	17	209,707	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.

The profit generated on shares traded under the liquidity contract totalled €0.7 million in the first half of 2022. These gains were recognised under *Retained earnings* (€0.5 million at 30 June 2021).

A total of 45,106 treasury shares were retired in the six-month period ended 30 June 2022 (96,587 shares in the period to 30 June 2021) under the Share Awards Plan and the Variable Remuneration Replacement Plan for senior executives of the Company, and under the Shareholder Plan applicable in general to all employees resident in Spain for tax purposes (see note 24). The profit recognised in *Retained earnings* on these operations amounted to €4.2 million (€6.24 million at 30 June 2021).

13.4 Translation differences

Translation differences arising in the six-month period ended 30 June 2022 led to an increase in equity of €226.2 million compared to 31 December 2021, due to the appreciation of certain foreign currencies in which the Acciona Group operates, mainly the US dollar, Australian dollar, and Canadian dollar.

13.5 Valuation adjustments

- Cash flow hedges

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

Changes in valuation adjustments in the six-month period ended 30 June 2022 were as follows:

	Changes from 1 January to 30 June 2022	Changes from 1 January to 30 June 2021
Opening balance	-41	-153
Valuation adjustments in the period	198	61
Gross	264	82
Tax effect	-66	-21
Transfers to profit/(loss) for the period	2	31
Gross	2	42
Tax effect	-1	-11
Final balance	158	-61

14. Non-current provisions

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

Note 19 of the annual accounts for the year ended 31 December 2021 outlines the main litigation facing the Group at that date. There were no significant changes in the six-month period ended 30 June 2021.

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

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) (ATT).

The Catalan Regional Government eventually made a final settlement proposal on 13 March 2020, in which it offered to pay compensation of €56.9 million to ATLL, an amount that is very significantly below the quantum claimed by the company. This amount was partially settled by the regional administration on 31 December 2021, leaving a sum of €25.6 million outstanding at 30 June 2022.

Notwithstanding the dispute between the operator and the Regional Government of Catalonia over the calculation of the final settlement, the former has repeatedly demanded that the regional government settle the amount proposed in full and has now exhausted all available administrative procedures to enforce the outstanding claims. In these circumstances, the operator proceeded in 2021 to expand the claim originally filed in the High Court of Justice of Catalonia in 2020 (as described in the next paragraph) to include the outstanding amount of the final settlement proposed by the Catalan Regional Government.

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

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

Finally, Acciona, S.A. appears as a defendant together with Acciona Construcción, S.A. and the other shareholders of its investee Infraestructuras y Radiales S.A. (IRASA, the sole shareholder of Autopista del Henares S.A.C.E., operator of the R-2 toll motorway concession in the Autonomous Community of Madrid), in an action brought by divers investment funds claiming to be the current holders of IRASA's bank debt, who have demanded the payment of €567 million (approximately €142 million from the Acciona Group) as compensation for alleged breaches of shareholder undertakings. The Court issued its judgment turning down the claim in its entirety and ordering the claimants to pay costs in July 2022. It is not known to date whether the unsuccessful claimants will appeal. The Group does not consider it likely that any liability will arise if the claimants opt to appeal the judgment and no provision has therefore been recognised.

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

15. Interest-bearing debt

A detail of financial liabilities by type at 30 June 2022 and 31 December 2021 is as follows (expressed in millions of euros):

30.06.22			
<i>Financial Liabilities Type / Category</i>	Debts and accounts payable	Hedging derivatives	Total
Non-current bank borrowings	2,015		2,015
Debentures and other marketable securities	3,173		3,173
Derivatives		3	3
Long-term debts / Non-current liabilities	5,188	3	5,191
Current bank borrowings	319		319
Debentures and other marketable securities	1,900		1,900
Derivatives		34	34
Short-term debts / Current liabilities	2,219	34	2,253
Total	7,407	37	7,444

31.12.21			
<i>Financial Liabilities Type / Category</i>	Debts and accounts payable	Hedging derivatives	Total
Current bank borrowings	2,025		2,025
Debentures and other marketable securities	2,364		2,364
Derivatives		48	48
Long-term debts / Non-current liabilities	4,389	48	4,437
Current bank borrowings	252		252
Debentures and other marketable securities	1,666		1,666
Derivatives		28	28
Short-term debts / Current liabilities	1,918	28	1,946
Total	6,307	76	6,383

15.1 Bank borrowings

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 at 30 June 2022 and 31 December 2021 (expressed in millions of euros):

	30.06.22		31.12.21	
	Current	Non-Current	Current	Non-Current
Non-recourse bank borrowings	66	414	117	538
Mortgage loans to finance non-current assets	1	2	2	3
Mortgage loans tied to property developments			1	
Project finance	49	367	83	492
Obligations under finance leases	15	42	16	39
Other debts with limited recourse	1	3	15	4
Recourse bank borrowings	287	1,604	163	1,535

	30.06.22		31.12.21	
	Current	Non-Current	Current	Non-Current
Discounted notes and bills not yet due				
Other bank loans and overdrafts	287	1,604	163	1,535
Total bank borrowings	353	2,018	280	2,073

The Group's loans and credit facilities bore market interest rates in the first half of 2022 and in financial year 2021.

At 30 June 2022 and 31 December 2021, 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 in the first six months of either 2022 or 2021.

The net decrease of €160 million in *Current and non-current project finance* in the first half of 2022 relates basically to scheduled repayments on loans of this kind and to the cancellation of six project finance arrangements for a total of €143 million, which have been refinanced out of corporate debt.

In June 2022, the main change in *Other bank loans and overdrafts* was the arrangement by Acciona, S.A. of various "ESG Schuldschein" loans for a total of €325 million, structured in various tranches maturing at 3, 5 and 7 years, the purpose of which is to fund general corporate investment and cash flow financing needs. These loans bear interest at market rates adjusted based on compliance with a series of sustainable KPIs.

The affiliate Acciona Energía Financiación de Filiales, S.A. entered into a facility agreement for a total of €2,500 million with a syndicate of banks on 26 May 2021, which was secured by the affiliate's parent, Corporación Acciona Energías Renovables, S.A. The facility is split into three parts, comprising tranches A and B for a maximum amount of €1,000 million each, and tranche C for a maximum amount of €500 million. Tranches A and B are structured as term loans with a drawdown period, so that any prepayments made will no longer be available for future utilisation (loan format). Both of these tranches mature on 26 May 2024. Tranche C, however, is structured as an overdraft facility, i.e. the amounts repaid may be utilised again until the end of the drawdown period, which is the same as the term of the facility, maturing 26 May 2026. On 14 June 2022, the lenders unanimously agreed to accept the application for extension of tranche C and a new maturity date of 26 May 2027 was set.

The affiliate Acciona Financiación de Filiales, S.A. also entered into a loan agreement with a syndicate of banks on the 26 May 2021 for a total of €800 million, once again secured by the affiliate's parent, in this case Acciona, S.A. The loan was split into tranche A for a maximum amount of €200 million, structured as a term loan with drawdown period, and tranche B for maximum of €600 million, structured as an overdraft facility. Both tranches mature on 26 May 2024. In line with the agreement mentioned in the previous paragraph, however, the lenders unanimously consented to the extension of tranche B and a new maturity date of 26 May 2027 was set.

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

The balance drawn down on both syndicated facilities was zero at 30 June 2022, leaving the same fully available for utilisation in the amount of €600 million in the case of Acciona Financiación de Filiales, S.A. and €500 million in the case of Acciona Energía Financiación de Filiales, S.A. With regard to the loan format tranches, Acciona Financiación de Filiales, S.A. had drawn down tranche A of its facility to the limit of €200 million at 31 December 2021 and 30 June 2022. Meanwhile, tranche A of the Acciona Energía Financiación de Filiales, S.A. has been repaid in full (€1,000 million) and

€250 million has been utilised against tranche B (€550 million at 31.12.2021), leaving €500 million still available for drawing. A partial repayment of €250 million has been made on tranche B, which was initially drawn down for a total of €1,000 million.

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

At 30 June 2022, the Group companies had additional unused financing available for utilisation amounting to €3,186 million under working capital facilities.

15.2 Debentures and other marketable securities

Outstanding debt securities issued by the Parent and any of the Group companies at 30 June 2022 and 2021, and changes in the balance in the first half of each year, were as follows:

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

(Millions of euros)	30.06.21				Balance at 30.06.2021
	Balance at 31.12.2020	Issues	Repurchases and redemptions	Adjustments for exch. rates, chang. consol. perim. and other items	
Debt securities issued in a member State of the European Union, subject to registration of a prospectus	1,969	2,618	-1,458	13	3,142
Other debt securities issued in a non-EU member state	193		-6	6	193
Total, current and non-current	2,162	2,618	-1,464	19	3,335

Note 20 b) to the consolidated annual accounts for the year ended 31 December 2021 describes the debt issues presented under this heading.

In the first half of 2022, the Acciona Group issued promissory notes backed by Acciona, S.A. for a total of €636 million through its affiliate Acciona Financiación de Filiales, S.A. These promissory notes were issued under the Euro Commercial Paper (ECP) programme initially launched by Acciona, S.A. on 17 January 2013, which has been renewed annually by the Group's affiliate Acciona Financiación de Filiales, S.A. backed by Acciona, S.A. The programme was last renewed on 28 April 2022, when the maximum limit was increased from €1,000 to €1,500 million. This programme, which is registered in Euronext Dublin (formerly the Irish Stock Exchange), is used to issue euro market notes with maturities of between 3 and 364 days.

Meanwhile, Acciona, S.A. launched a new European Commercial Paper (ECP) programme for a maximum of €1,000 million on 18 May 2022. This programme was also registered in Euronext Dublin. The programme has not been renewed in 2022. The outstanding balance on the programme at 30 June 2022 was €100 million, consisting of a promissory note maturing on 21 July 2022.

Meanwhile, Acciona Financiación de Filiales, S.A. renewed its Euro Medium Term Note (EMTN) Programme, backed by Acciona, S.A., on 5 May 2022. This renewal increased programme limit from €2,000 to €3,000 million. Notes were issued under this programme for the equivalent of €327 million in the first six months of 2022, mainly in euros and to a lesser extent in Japanese yen. The Group uses these issues not only to diversify its sources of financing, but also to extend the maturity of its debt at very competitive prices.

Since Corporación Acciona Energías Renovables, S.A. went public, its affiliate Acciona Energía Financiación Filiales, S.A. has arranged the following programmes, which are guaranteed by the parent, Corporación Acciona Energías Renovables, S.A. (CAER):

- Euro Commercial Paper (ECP) Programme launched on 20 July 2021. A supplement was added on 8 September 2021 following the issue of BBB- and BBB (high) credit ratings by Fitch and DBRS, respectively. This programme was approved by the Central Bank of Ireland for a maximum amount of €2,000 million. Promissory notes were issued for a total of €1,473 million in the first half of 2022. The programme was renewed for one year until July 2023 on 19 July 2022, maintaining the maximum limit of €2,000 million.
- Euro Medium Term Note (EMTN) Programme launched on 20 July 2021 with a maximum limit of €3,000 million. As in the case of the ECP Programme, a supplement was published on 10 September 2021 to update this programme following the issue of credit ratings by Fitch and DBRS. The initial prospectus, renewals and supplements are approved by the Central Bank of Ireland. Two public bond issues have been made under this programme. The first issue of bonds took place on 7 October 2021 for a nominal amount of €500 million with an annual coupon of 0.375%. The second issue took place on 26 January 2022 for a nominal amount of €500 million with an annual coupon of 1.375%. Both of the aforementioned issues are structured under an advanced green financing framework, which is fully aligned with the European Union's taxonomy of sustainable activities and the requirements of the EU green bond standard.
- On 26 April 2022, meanwhile, Acciona Energía Financiación Filiales, S.A. issued a "green" private placement of USD 200 million maturing in 15 years under the United States Private Placement (USPP) format. Demand was 5.6 times the offering, and interest was set at 4.56%.

Other debt securities issued in a non-EU member state comprise bonds issued in 2012 by the Mexican affiliates CE Oaxaca Dos, S. de R.L. de C.V. and CE Oaxaca Cuatro, S. de R.L. de C.V. The main change in this heading in the first half of 2022 consisted of scheduled debt repayments.

A total of €2,000 million out of the period debt repayments reflected in the first of the above two charts represent ECP repayments on maturity.

No bonds convertible into shares were issued in the first six months of 2022, and no issues granted rights or privileges that might, in the event of a contingency, make them convertible into shares of the Parent Company or of any of the Group companies.

16. Other non-current and current liabilities

Other non-current and current liabilities at 30 June 2022 and 31 December 2021 were as follows (expressed in millions of euros):

<i>Other liabilities</i>	Non-current		Current	
	30.06.22	31.12.21	30.06.22	31.12.21
Grants	98	93		
Other deferred income	29	29		
Other payables for non-financial derivatives	118	36		
Salaries payable			145	154
Loans from non-controlling interests	9	9		
<i>Other payables</i>	1,012	983	900	978
Total	1,266	1,150	1,045	1,132

The main changes in the first half of 2022 affected *Other current liabilities*, as follows:

- *Other payables* at 30 June 2022 include the dividend approved at the Annual General Meeting of the Shareholders held on 23 June 2022. This dividend was paid on 7 July 2022 (see notes 17 and 22).
- The balance of *Other payables* was reduced by payments made over the course of the six-month period ended 30 June 2022 in respect of wind generating facilities in Mexico, Australia and Spain, and by movements in outstanding investments in progress in solar photovoltaic plants in Spain and the United States.

17. Dividends paid by the Parent Company

The dividends paid by the Parent Company in the first six months of 2022 and 2021, in both cases out of the prior year's profits, were as follows:

- First half of 2022

At their Annual General Meeting held on 23 June 2022, the Shareholders of Acciona, S.A. approved the payment of a dividend worth €4.10 per share out of the profit for 2021. The total dividend of €224,912 thousand euros was paid on 7 July 2022.

- First half of 2021

At their Annual General Meeting held on 30 June 2021, the Shareholders of Acciona, S.A. approved the payment of a dividend worth €3.90 per share out of the profit for 2020. The total dividend of €213,941 thousand euros was paid on 7 July 2021.

18. 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 financial year.

The relevant amounts for the six-month periods ended 30 June 2022 and 2021 were as follows:

	First half of 2022	First half of 2021
Profit attributed to the Parent Company (millions of euros)	201	148
Weighted average number of shares outstanding	54,676,077	54,606,531
Basic earnings per share (euros)	3.67	2.71

- 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 both the first half of 2021 and 2022 relates to employee incentive plans, which have no relevant effect on the calculation. Accordingly, basic earnings per share match diluted earnings per share.

19. Segment reporting

The criteria applied by the Group to define operating segments are explained in Note 29 to the consolidated annual accounts of the Acciona Group for the year ended 31 December 2021.

The balance sheet at 30 June 2022 and 31 December 2021 segmented by division and the segmented income statement for the six-month periods ended 30 June 2022 and 2021 are presented below (expressed in millions of euros).

<i>Balance at 30.06.2022</i>	Segment				Corporate transactions	Total Group
	Energy	Infrastructure	Other activities	Intergroup transactions		
Property, plant and equipment, intangible assets and investment property	8,171	597	586	-56		9,298
Right of use	379	131	51			561
Goodwill	60	140	113			313
Non-current financial assets	41	51	147			239
Investments accounted for using the equity method	358	326	904	-3		1,585
Other non-current assets and deferred tax assets	593	540	264	14		1,411
Non-current assets	9,602	1,785	2,065	-45	--	13,407
Inventories	168	289	983	-11		1,429
Trade and other accounts receivable	741	2,648	347	-407		3,329
Other current financial assets	190	59	33			282
Other current assets	194	166	141	-7		494
Cash and cash equivalents	1,170	1,233	237			2,640
Non-current assets held for sale		310				310
Current assets	2,463	4,705	1,741	-425	--	8,484
Total assets	12,065	6,490	3,806	-470	--	21,891
Consolidated equity	5,978	1,050	-835	-58	--	6,135
Interest-bearing debt	1,990	817	2,384			5,191
Other non-current liabilities	2,000	816	135	-4		2,947
Non-current liabilities	3,990	1,633	2,519	-4	--	8,138
Interest-bearing debt	1,004	94	1,155			2,253
Trade and other accounts payable	487	2,842	416	-140		3,605
Other liabilities	606	643	551	-268		1,532
Liabilities associated with non-current assets held for sale		228				228
Current liabilities	2,097	3,807	2,122	-408	--	7,618
Total equity and liabilities	12,065	6,490	3,806	-470		21,891

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

<i>Balance at 31.12.2021</i>	Segment					Total Group
	Energy	Infrastructure	Other activities	Intergroup transactions	Corporate transactions	
Property, plant and equipment, intangible assets and investment property	7,601	569	541	-51		8,660
Right of use	366	115	46			528
Goodwill		136	113			249
Non-current financial assets	42	44	133			219
Investments accounted for using the equity method	302	165	861	-3		1,325
Other non-current assets and deferred tax assets	599	510	265	15		1,388
Non-current assets	8,910	1,539	1,959	-39	--	12,369
Inventories	125	219	879	-13		1,210
Trade and other accounts receivables	536	2,247	340	-392		2,731
Other current financial assets	172	33	13			218
Other current assets	265	112	100	-23		454
Cash and cash equivalents	625	1,250	443			2,318
Non-current assets held for sale		303				303
Current assets	1,723	4,164	1,775	-428	--	7,234
Total assets	10,633	5,703	3,734	-467	--	19,603
Consolidated equity	5,334	860	-564	-73	--	5,557
Interest-bearing debt	1,769	457	2,211			4,437
Other non-current liabilities	1,755	817	125	-3		2,694
Non-current liabilities	3,524	1,274	2,336	-3	--	7,131
Interest-bearing debt	610	83	1,253			1,946
Trade and other accounts payable	443	2,538	358	-123		3,216
Other liabilities	722	685	351	-268		1,490
Liabilities associated with non-current assets held for sale		263				263
Current liabilities	1,775	3,569	1,962	-391	--	6,915
Total equity and liabilities	10,633	5,703	3,734	-467	--	19,603

<i>Balance at 30.06.2021</i>	Segment				Corporate transactions	Total Group
	Energy	Infrastructure	Other activities	Intergroup transactions		
Total revenue	1,041	2,196	447	-129		3,555
Revenue	1,034	2,130	391			3,555
Revenue to other segments	7	66	57	-130		--
Other operating income/(expenses)	-568	-2,089	-418	117		-2,958
Equity method profit/(loss) – analogous	27	19				46
Gross profit/(loss) from operations	500	126	29	-12		643
Depreciation and amortisation charge and change in provisions	-184	-147	-19			-350
Impairment and profit/(loss) on disposal of non-current assets		55				55
Other gains or losses	-2		-2	2		-2
Operating profit/(loss)	314	34	8	-10		346
Financial profit/(loss)	-85	-11	-3	1		-98
Profit/(loss) from changes in value	-18	14	2			-2
Equity method profit/(loss) – non-analogous			-18			-18
Profit before tax	211	37	-11	-9		228
Income tax expense	-59	-10	3	3		-63
Consolidated profit for the period	152	27	-8	-6		165
Profit/(loss) after tax of discontinued operations						--
Period's profit	152	27	-8	-6		165
Non-controlling interests	-13	-3	-1			-17
Profit attributable to the Parent Company	139	24	-9	-6		148

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

	Revenue		Total assets		Non-current assets		Current assets	
	30.06.22	30.06.21	30.06.22	31.12.21	30.06.22	31.12.21	30.06.22	31.12.21
Spain	2,359	1,315	8,049	7,348	4,837	4,700	3,212	2,648
European Union	426	272	2,031	1,896	1,499	1,433	532	463
OECD	1,589	1,358	9,057	8,093	6,143	5,512	2,914	2,581
Other countries	803	610	2,754	2,266	928	724	1,826	1,542
Total	5,177	3,555	21,891	19,603	13,407	12,369	8,484	7,234

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

A detail of *Impairment and profit/(loss) on disposal of non-current assets* in the consolidated income statement for the six-month periods ended 30 June 2022 and 2021 is as follows (expressed in millions of euros):

	30.06.22	30.06.21
Profits/(losses) on disposal of non-current assets	6	-1
Profits on equity investments in Group companies and associates	30	56
Impairment of non-current assets	-37	
Total	-1	55

Profits on equity investments in Group companies and associates recognised in the six-month period ended 30 June 2022 comprised mainly the gain of €20 million (CAD 27 million) obtained on the sale of 75% of the Canadian road concession Windsor Essex Mobility Group GP (see Note 3).

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 3).

Profits of €51 million were also recognised under this heading of the condensed consolidated income statement for the six-month period ended 30 June 2021 in respect of the transfer of investments in four concession assets classified as held for sale.

In view of the situation in Ukraine (see Notes 2.b and 4), the Group carried out impairment tests of energy generating assets located in the country at 30 June 2022 and recognised impairments totalling €35 million under *Impairment of non-current assets*.

21. Average Headcount

The average headcount of the Acciona Group in the six-month periods ended 30 June 2022 and 2021, distributed by gender, was as follows:

	Headcount	
	30.06.22	30.06.21
Men	32,247	28,236
Women	12,229	10,731
Total	44,476	38,967

The increase in the Group's average headcount in the first half of 2022 was mainly due to the start of construction work on Line 6 of the São Paulo Metro.

22. Events after the reporting period

- As mentioned in Note 17 above, the shareholders of Acciona, S.A. approved the distribution of a dividend of €4.10 per share out of the profit for 2021 at their Annual General Meeting held on 23 June 2022. The total dividend distribution of €225 million was recognised under Other current liabilities in the accompanying consolidated balance sheet at 30 June 2022 and was paid on 7 July 2022.
- As authorised by its Supervisory Board, Nordex SE 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 shareholding in Nordex SE. At the end of the preferential subscription period, Acciona, S.A. also subscribed an additional 2,767,251 shares pertaining to other shareholders who did not exercise their subscription rights. The subscription of these shares raised Acciona, S.A.'s ownership interest in Nordex SE from 39.66% to 40.97%.

23. Related-party transactions

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

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

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

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

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

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

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

No material transactions, in terms of amount or nature, were carried out between the Company and its subsidiaries with directors, shareholders or other related parties in the first half of either 2022 or 2021.

24. Remuneration and other benefits

The existing agreements concerning remuneration and other benefits for the members of the Company's Board of Directors and Senior Management personnel are described in Note 36 to the Group's consolidated annual accounts for the year ended 31 December 2021.

A summary of key information regarding remuneration and benefits for the six-month periods ended 30 June 2022 and 2021 is as follows:

<i>(Millions of euros)</i>	30.06.22	30.06.21
Directors		
Remuneration item:		
Remuneration for membership of the Board and/or Board committees	1	1
Salaries	1	1
Variable cash remuneration	4	2
Share-based remuneration		
Severance		
Long-term savings schemes	2	3
Other		
Total	8	7
Executives		
Total executive remuneration	19	18

The interim information reported in 2021 concerned 27 persons identified as Senior Management employees, compared to 47 identified as such at 30 June 2022.

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

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

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

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

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

C) Metrics used to measure value creation:

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

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

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

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

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

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

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

F) Malus and clawback: Acciona, S.A. may claw back all or part of the part of the incentive paid from the executive directors within three (3) years of the date of each incentive payment (including payment of the deferred portion of the incentive), if any of the following malus scenarios arises in the three (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. Moreover, 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 whether 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 and Performance Shares

The Shareholders adopted the following resolution at their General Meeting held on 24 June 2014:

- 1. To extend the term of the Shares and Options Award Plan to management of the Acciona group, including executive directors, as approved by the General Meeting of the Shareholders of Acciona, S.A. on 4 June 2009, for application in financial years 2014-2020, and to increase the maximum number of shares available by 200,000 shares.*
- 2. To authorise the Board of Directors of the Company to amend the Plan Regulations under the terms and conditions considered appropriate by the Board, to the full extent required by law and at the proposal of the Appointments and Remuneration Committee, establishing award conditions and periods, accrual periods, allocation criteria and limits and any other matters that the Board considers relevant, in order to align as far as possible the long-term interests of the executive directors and other executives of the Acciona Group with those of the shareholders of Acciona, S.A., and thereby incentivise them to maximise value creation and the long-term stability of the group, and consolidate their loyalty and permanence in the Group.*

Pursuant to the above authorisation, the Board of Directors agreed in the first quarter of 2015 at the proposal of the Appointments and Remuneration Committee to amend the Plan Regulations, preparing a new plan, the term of which would cover the six-year period from 2014 to 2019, inclusive, as described below. This Plan ended for the Executive Directors in 2020.

A) Purpose of the Plan: The purpose of the 2014 Plan for the Award of Shares and Performance Shares for management of Acciona and its Group (the Plan for the Award of Shares/Performance Shares) was to remunerate management, including the executive directors, of Acciona, S.A. ("Acciona") and the group of companies and entities of which Acciona, S.A. is the Parent or in which Acciona holds a significant management interest ("the Acciona Group" or "Acciona and its group"), in such a manner as to incentivise the attainment of the Acciona Group's strategic business objectives to the benefit of the Company's shareholders, and to support the loyalty and permanence of executives.

B) Strategic indicators and objectives: Achievement of objectives was based on the strategic business indicators defined by the Board of Directors for the years 2014 to 2019.

C) Beneficiary Group Executives: In the case of beneficiaries who are not executive directors, the Board of Directors will approve, having considered the proposal made by the Appointments and Remuneration Committee, the amount of separate variable remuneration to be paid through the award of the Acciona treasury shares allocated for each financial year to each executive benefitting from the 2014 Plan, other than the executive directors.

The allocation may be formulated through the award of a given number of treasury shares or of a cash amount. In the latter case, the specific number of shares awarded will depend on the closing share price on the last day's trading in March of the year when the Board of Directors decides the allocation and the date of the award of shares. The number of shares allocated, quantified on the aforementioned basis, together with those allocated under the 2014 Plan may not under any circumstances exceed the maximum number available as approved by the General Meeting.

Treasury shares awarded to these beneficiaries are subject to a buy-back right for Acciona, which may be exercised if the beneficiary acquiring the shares ceases his/her professional engagement with Acciona or its Group before 31 March of the third year following the year when the shares are transferred, for reasons attributable to the beneficiary. The Board of Directors may extend the performance shares and/or share allocation system established for the executive directors to a limited group of executives, subject to such changes as may be proposed by the Appointments and Remuneration Committee regarding provisional allocation, taxation, objectives, interim milestones and delivery periods, in order to incentivise such executives to maximise value creation and foster the long-term stability of the Group, as well as enhancing their loyalty and permanence in Acciona.

D) Number of shares available under the Plan: The maximum number of shares that could be allocated to the Beneficiaries under the 2014 Plan was initially fixed at 258,035. However, the maximum number of shares available for allocation by the Board of Directors under the 2014 may be increased subject to the adoption of a resolution to that effect by the General Meeting of the Shareholders.

In this regard, the Shareholders resolved at their General Meetings held on 11 June 2015, 10 May 2016, 18 May 2017, 30 May 2018 and 30 May 2019 to increase the maximum number of shares available under the *2014-2019 Plan for the Award of Shares and Performance Shares* by 100,000 for each year, notwithstanding any subsequent increases that might be proposed by the Board of Directors and approved by the General Meeting. The maximum number of shares available to date is 360,885.

E) Recipients: The annual number of Recipients may not exceed 100.

F) Beneficiaries of the Plan and number of shares awarded: The *Plan for the Award of Shares/Performance Shares* ended with the transfer of the shares in the first half of 2022. The 44 Beneficiaries other than executive directors received a total of 16,835 shares of Acciona, S.A.

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

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

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

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

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

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

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

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

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

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

- Plan to Substitute Variable Remuneration for Shares

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

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

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

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

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

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

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

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

E) Beneficiaries of the Plan and number of shares awarded: A total of 10,172 shares of the Company were transferred to 45 executives of Acciona and its Group in the first half of 2022 under the *Substitution Plan* in payment of a part of variable remuneration earned in 2021.

- Shareholder Plan

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

The Plan is voluntary and it offers all employees resident in Spain for tax purposes the opportunity to participate in the profits of the Company as shareholders provided they joined any of the companies forming part of the Acciona Group before 31 December 2021.

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.

The shares were measured at the closing market price on 31 March 2022 and were transferred in the first fortnight of April. A total of 18,099 shares of Acciona, S.A. were delivered to employees under the Plan.

- Savings Plan

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

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

- 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; iii) upon removal from the position of Executive Director of Acciona for any reason other than the foregoing.

Variable remuneration is either settled in cash at the payment date or is deferred via contributions to the Savings Plan. The deferred remuneration earned by the Executive Directors and settled by way of contributions to the Savings Plan in the first half of 2022 totalled €1.65 million.

The total remuneration materialised via vested financial claims of the Directors under the Savings Plan amounted to €26 million.

Part I – Analysis of the first semester

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

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

Note 19 Segment reporting to the accompanying condensed consolidated financial statements for the six-month period ended 30 June 2022 provides detailed information on the assets, liabilities and operations involved in each of the business activities carried on by the Acciona Group.

The recurrent Alternative Performance Measures (APMs) used in this and other reports by the ACCIONA Group are defined as follows:

EBITDA or gross operating profit is defined as operating income before depreciation and amortisation and variations in provisions, and it therefore shows the gross operating result of the Group. It is calculated based on the following consolidated income statement items: *Revenue, Other revenue, Changes in inventories of finished goods and work in progress, Cost of goods sold, Personnel expenses, Other operating expenses and Equity method profit/(loss) - analogous.*

Net Financial Debt shows the Group's debt, in net terms, deducting cash and current financial assets. It is calculated based on the following consolidated balance sheet items: non-current and current *Bank borrowings, Debentures and other marketable securities* and *Lease obligations*, less *Cash and cash equivalents* and *Other current financial assets*.

A detailed reconciliation is provided in the section *Cash Flow and Change in Net Financial Debt* of this Directors' Report.

Net Financial Debt excluding IFRS16 is defined as net financial debt less non-current and current *lease obligations* carried in the balance sheet.

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

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

Financial gearing reflects the ratio of the Group's financial debt to equity. It is calculated by dividing *net financial debt* (calculated as explained above) by *equity*.

Backlog is defined as pending production, i.e. contractual amounts or customer orders after deducting amounts already recognised as revenue in the income statement. It is calculated on the basis of orders and contracts awarded to the Group, deducting the part of completed work recognised in *Revenue*, and adding or subtracting *Other variations* arising from foreign exchange adjustments and changes in the initial contracts.

Gross Ordinary Capex is defined as the period increase in the balance of *Property, plant and equipment*, *Other intangible assets*, *Non-current financial assets*, *Investments accounted for using the equity method*, *Investment property* and *Right of use under financial leasing contracts*, adjusted for the following items:

- Depreciation and impairments for the period
- Period's profit/(loss) of companies accounted for using the equity method
- Profit/(loss) on disposals of non-current assets
- Changes due to fluctuations in exchange rates

In the case of changes in the consolidation perimeter, gross ordinary capex is defined as the change in net financial debt, excluding IFRS 16, arising from the transaction.

Net Ordinary Capex is defined as *Gross ordinary capex* plus or minus changes in *Other payables* due to suppliers of property, plant and equipment, and other related movements that do not involve cash flows.

Divestments are resources obtained from material transactions involving the sale of ventures or cash generating units, or reductions in the percentage interests held, carried out within the framework of an established divestment strategy.

Net Investment Cash Flow is *Net Ordinary Capex*, less divestments, plus or minus changes in real estate inventories.

Operating Cash Flow represents the capacity of assets to generate resources in terms of net financial debt. It is calculated as EBITDA minus income from companies accounted for using the equity method and that carry out an activity analogous to the Group's main activities (*Equity method profit/(loss) – analogous*), plus/minus the change in working capital less net finance costs, plus/minus income tax rebates/payments, plus income from equity-accounted companies engaging in non-analogous activities (*Equity method profit/(loss) – non-analogous*), plus/minus other cash inflows/outflows not included in *Net Investment Cash Flow* and amounts in respect of shareholder remuneration.

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 to support decision-making by users of the Group's financial information.

1. Executive Summary

Period highlights

- ACCIONA's results in the first half of 2022 show strong growth versus the same period of the previous year. Group revenues grew by 45.6% yoy, to €5,177 million, EBITDA was 65.6% up to €1,064 million, and EBIT grew by 105.0%, to €709 million. Earning Before Taxes reached €445 million, a 95.3% increase versus H1 2021, and net profit grew by 35.6%, to €201 million.
- In Energy, ACCIONA Energía's financial results in the first half of 2022 show significant growth as a result of the higher commodity price environment across the company's markets as well as financial costs that still compare favourably relative to the pre-IPO capital structure.
- The company has also made good progress during the first half across its key ESG indicators. On the social side, the company reports a higher proportion of women in executive and management positions (25.4%), increased projects with social impact management, and a lower accident frequency index than in the first half 2021. On the environmental metrics, the proportion of waste recovery has improved to 98%, CO₂ emissions have fallen (-5.9%), and capex remains 100% aligned with the Taxonomy. ACCIONA Energía was assigned the highest ESG rating in the global energy sector by S&P Global Ratings, for the second year in a row.
- In addition, the company was an active issuer of green financing instruments with its second green benchmark bond (€500 million) issued in January and its inaugural US Private Placement transaction in green format (US\$200 million) issued in April.
- The ACCIONA Energía share joined key stock indices such as the S&P Global Clean Energy index and the IBEX 35 index.
- ACCIONA Energía revenues amounted to €2,206 million, an increase of 111.9% compared to the first half of 2021, with €1,191 million of Generation revenues (+70.5%) and other revenues of €1,015 million (+196.2%) mainly related to the Supply activity in Iberia. EBITDA increased to €909 million (+81.7%) and net attributable profit grew to €390 million (+155.5%).
- With respect to the main operating indicators, the average generation price increased by 70.2% to €116.2/MWh.
- Total installed capacity stood at 11,212 MW at the end of the first half compared to 11,188 MW as of 30 June 2021. At the consolidated level, capacity grew from 9,125 MW to 9,328MW, up 2.2% during the last twelve months. During the first half of the year, consolidated capacity increased by 159 MW, as 92 MW of new capacity was mechanically completed, 72 MW increased as a result of changes in the consolidation perimeter, and a 5 MW hydro operation reverted to the river basin authority at the end of the concession.
- During the first half of 2022, 1,464 MW started construction. As of 30 June 2022, total capacity under construction amounts to 2,064 MW. The company expects to add c. 540 MW in the year as a whole, 290 MW less than initially planned due to the disruptions in the supply of PV modules to the US market that were severely aggravated by the Department of Commerce anti-circumvention filing and subsequent initiation of an enquiry. The company expects capacity under construction at year end to remain at 2.1 GW, mainly in the US and Australia, with the mechanical completion in H2 2022 of close to 450 MW and the start of construction of just over 500 MW.
- Total production during the period fell slightly mainly due to generally low resource as well as curtailments in some markets. Consolidated production amounted to 10,247 GWh, an increase of 0.2% compared to the same period of the previous year. In Spain, production fell by 5.9% to 4,917 GWh, with wind production down 6.1% and hydro production falling significantly by 7.6%. The year 2022 has so far been the driest of the last five, with the country's reservoirs 50% below 5-year averages. Consolidated production from International assets increased by 6.6% compared to H1 21, to 5,330 GWh including new operating capacity. In Spain, Generation revenues increased by 159.4% to €833 million while International sales decreased by 5.1% to €358 million. Revenues from Supply and Other increased by 196.2% to €1,015 million.
- Total EBITDA at ACCIONA Energía reached €909 million, up 81.7%.

- In Spain, EBITDA increased by 275.2% to €676 million. The average price in Spain during the period was €169.4/MWh, while the average Pool price reached €206/MWh (+251.6%) during the period. The major increase in Spanish power prices commenced during the later part of H1, with the average price during the first half at €58.6/MWh relative to €164.4/MWh during the second half of 2021. ACCIONA Energía's achieved price during H1 2022 lies €35.3/MWh below the average pool price during the period mainly as a result of hedging and, to a lesser extent, the regulatory banding mechanism. Regulatory income recognition was also lower as a result of the ongoing interim regulatory review which applies from 1 January 2022. H1 2021 results included €25 million non-recurring EBITDA related to the hydro levy rebate ruling. EBITDA from the International energy business fell by 27.0% to €234 million, with the non-recurrence of the Texas prices in Q1 2021, lower achieved prices in Chile and the disruption to the Ukraine business, more than offsetting better results in Mexico and Australia.
- ACCIONA Energía wrote down close to 50% of the invested capital in the Ukraine operations as a result of the ongoing war situation, resulting in a negative charge of €35 million. Interest charges fell slightly due to the more efficient capital structure in the context of the IPO. The mark-to-market of certain PPA contracts through the consolidated income statement resulted in a negative result of €61 million relative to a negative €18 million at H1 2021 due to the higher power price environment.
- The net investment cash flow of ACCIONA Energía in the first half of 2022 amounted to €770 million, mainly related to projects under construction in Spain (Extremadura, Bolarque and others), the United States (Fort Bend, High Point and others) and Australia (MacIntyre), and projects recently completed in Australia (Mortlake) and Mexico (San Carlos).
- Net financial debt amounted to €2,049 million compared to €1,989 million at December 2021. Net Debt grew slightly despite operating cashflow being higher than net investment, mostly as a result of the payment of the annual dividend in the first half of the year.
- Revenues in the Infrastructure division increased by 20.6% in H1 2022, to €2,648 million, and EBITDA rose by 18.8% to €149 million, despite the lower contribution from concessions compared to the same period of the previous year due to the divestment of a portfolio of Spanish assets completed in 2021. The construction business showed a very positive performance, with revenues up 25.3%, to €2,003 million, and EBITDA up by 49.2%, to €84 million. Total infrastructure backlog reached a new all-time high of €20,580 million (€29,208 million should we include the equity accounted projects) at June 2022.
- In Other Activities, the Real Estate activity showed a slight decline in revenues and in EBITDA, due to less housing units delivered compared to the first half of 2021, in line with the expected calendar for the full year. Bestinver's revenues fell by 11.3% and EBITDA by -18.8% as a result of lower average assets under management, which amounted to €6,346 million in the first half of 2022 versus €6,893 million in the first half of 2021. At the end of June 2022, funds under management reached €5,468 million, a 22% drop compared to 31 December 2021, mostly driven by portfolio yields.
- Profit before taxes reached €445 million, a 95.3% yoy increase. This figure includes an impairment of our energy assets in Ukraine for €35 million, as explained above, and a negative contribution from ACCIONA's stake in the German wind turbine manufacturer Nordex of -€108 million, versus -€18 million in H1 2021.
- Attributable net profit amounted to €201 million, a 35.6% increase versus the first half of 2021.
- On 26 June 2022, ACCIONA subscribed a capital increase in Nordex for 10% of its share capital, excluding the preferential subscription right of the rest of the shareholders. This implied a €139 million investment for ACCIONA, and as a result ACCIONA's stake in Nordex went up from 33.6% to 39.66%. The subscription price was €8.7 per share.
- Net financial debt (including IFRS 16) reached €5,041 million at June 2022, a €697 million increase versus December 2021. Net investment cashflow in the period from January to June 2022 amounted to €1,217 million. This figure includes net ordinary capex of €1,136 million (including the €139 million invested in the aforementioned capital increase carried out by Nordex) and €82 million invested in inventory property developments.
- In terms of sustainability, the company also made significant progress during the first half of the year in its main ESG indicators. On the social side, there was an increase in the percentage of women in executive and

management positions up to 22%, an increase in projects with social impact management and a lower accident frequency rate than in the first half of 2021. In terms of environmental indicators, CO₂ emissions fell by 4.9% and the capex aligned with the EU Taxonomy rose to 91%, in line with company commitments. ACCIONA Energía was assigned the highest ESG rating in the global energy sector by S&P Global Ratings, for the second year in a row.

Consolidated Income Statement

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (%)
Revenue	5,177	3,555	45.6%
EBITDA	1,064	643	65.6%
EBT	445	229	95.3%
Attributable net profit	201	149	35.6%

Balance Sheet and Capital Expenditure

<i>(Millions of euros)</i>	30-Jun-2022	31-Dec-2021	Change (%)
Attributable equity	4,736	4,312	9.8%
Net financial debt excluding IFRS 16	4,522	3,847	17.5%
Net financial debt	5,041	4,345	16.0%

<i>(Millions of euros)</i>	30-Jun-2022	30-Jun-2021	Change (%)
Net ordinary CAPEX	1,136	1,082	5%
Net investment cash flow	1,217	1,122	8.5%

Operating Data

	30-Jun-2022	31-Dec-2021	Change (%)
Infrastructure backlog (millions of euros)	20,580	18,096	13.7%
Average headcount	44,476	41,664	6.7%

	30-Jun-2022	30-Jun-2022	Change (%)
Total capacity (MW)	11,212	11,188	0.2%
Consolidated capacity (MW)	9,328	9,125	2.2%
Total production (GWh)	12,476	12,557	-0.6%
Consolidated production (GWh)	10,247	10,227	0.2%
Bestinver assets under management (millions of euros)	5,468	7,348	-25.6%

ESG Data

	H1 2022	H1 2021	Change (€m)
Executive and manager women (%)	22%	22%	1%
CAPEX aligned with EU sustainable activities taxonomy (%) (*)	91%	84%	+7p.p.
Emissions avoided (CO ₂ – million tons)	6.7	6.8	-1.5%
Scope 1 + 2 GHG emissions (CO ₂ – thousand tons)	84.7	89.1	-4.9
Water consumed (hm ³)	2.7	2.5	6.6%

Note: CAPEX for H1 2021 is not comparable to H1 2022, as the regulatory documentation applicable at 31 December 2021 included changes in the calculation criteria.

2. Consolidated Income Statement

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Revenue	5,177	3,555	1,622	45.6%
Other revenue	453	310	143	46.3%
Change in inventories of finished goods and work in progress	70	118	-49	-41.2%
Total Production Value	5,700	3,983	1,717	43.1%
Cost of goods sold	-1,581	-900	-681	-75.7%
Personnel expenses	-1,003	-861	-142	-16.5%
Other expenses	-2,124	-1,625	-499	-30.7%
Equity method profit/(loss) - analogous	72	46	26	56.2%
Gross operating profit (EBITDA)	1,064	643	422	65.6%
Depreciation and amortisation charge	-307	-285	-22	-7.7%
Change in provisions	-40	-65	25	38.5%
Impairment of assets	-37	0	-36	n.a.
Profits/(losses) on disposal of non-current assets	36	55	-19	-35.1%
Other gains or losses	-7	-2	-6	n.a.
Operating profit (EBIT)	709	346	363	105.0%
Net financial result	-100	-101	1	1.1%
Exchange differences (net)	8	3	5	168.5%
Equity method profit/(loss) – non-analogous	-108	-18	-90	n.a.
Result from changes in financial instruments at fair value	-64	-2	-62	n.a.
Profit before tax from continuing operations (EBT)	445	228	217	95.3%
Income tax expense	-138	-63	-75	-118.1%
Period's profit	307	165	142	86.5%
Non-controlling interests	-106	-17	-90	n.a.
Attributable net profit	201	148	53	35.6%

Revenue

(Millions of euros)	H1 2022	H1 2021	Change (€m)	Change (%)
Energy	2,206	1,041	1,165	111.9%
Infrastructure	2,648	2,196	452	20.6%
Other Activities	490	447	43	9.6%
Consolidation adjustments	-167	-129	-37	-29.0%
Total revenues	5,177	3,555	1,622	45.6%

Revenues increased by 45.6% to €5,177 million, with the following evolution in the different areas of activity:

- Increase in Energy revenues of 111.9% compared to the first half of 2021, with €1,191 million of Generation revenues (+70.5%) and other revenues of €1,015 million (+196.2%) mainly related to the Supply activity in Iberia.
- 20.6% increase in Infrastructure revenues due to a combination of a 25.3% growth in construction, +8.3% in Concessions and +8.6% in Water.
- Revenues from Other Activities increased by 9.6%, driven by the better performance of facility management, airports and logistics.

Gross operating profit (EBITDA)

(Millions of euros)	H1 2022	EBITDA (%)	H1 2021	EBITDA (%)	Change (€m)	Change (%)
Energy	909	84%	500	76%	409	81.7%
Infrastructure	149	14%	126	19%	24	18.8%
Other Activities	18	2%	29	4%	-11	-37.2%
Consolidation adjustments	-12	n.a.	-12	n.a.		-0.6%
Total EBITDA	1,064	100%	643	100%	422	65.6%
<i>Margin (%)</i>	<i>20.6%</i>		<i>18.1%</i>			<i>+2.5pp</i>

Note: EBITDA contributions calculated before consolidation adjustments

ACCIONA Group's EBITDA increased by 65.6% to €1,064 million in the first half of 2022. ACCIONA Energía's EBITDA increased to €909 million (+81.7%). EBITDA in the Infrastructure business increased by 18.8%, mainly driven by the improved profitability of the construction activity. Other Activities EBITDA decreased by 37.2%, to €18.3 million.

Net operating profit (EBIT)

Net operating profit amounted to €709 million, 105% higher than the €346 million reported in the first half of 2021, even after the recognition of a €35 million impairment of our assets in Ukraine. Results on non-current assets amounted to €36 million in H1 2022, including a €21 million capital gain obtained on the partial sale of the investment held in the Windsor Essex Parkway concession.

Profit before income tax (EBT)

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Energy	540	211	329	156.2%
Infrastructure	41	37	3	9.2%
Other activities	-123	-11	-112	n.a.
Consolidation adjustments	-12	-9	-3	-30.1%
Total EBT	445	228	217	95.3%
<i>Margin (%)</i>	<i>8.6%</i>	<i>6.4%</i>		<i>+2.2pp</i>

Earnings before taxes grew by 95.3% yoy to €445 million, with a negative contribution from the investment in Nordex compared to -€18 million previous year contribution.

3. Consolidated Balance Sheet and Cash Flow

<i>(Millions of euros)</i>	30 Jun. 2022	31 Dec. 2021	Change (€m)	Change (%)
Property, plant and equipment, intangible assets and investment property	9,298	8,660	639	7.4%
Right of use	561	528	33	6.3%
Non-current financial assets	239	219	21	9.4%
Investments accounted for using the equity method	1,585	1,325	260	19.6%
Goodwill	313	249	64	25.9%
Other non-current assets	1,411	1,388	22	1.6%
NON-CURRENT ASSETS	13,407	12,369	1,040	8.4%
Inventories	1,429	1,210	219	18.1%
Trade and other receivables	3,329	2,731	597	21.9%
Other current assets	494	454	39	8.7%
Other current financial assets	282	218	64	29.1%
Cash and cash equivalents	2,640	2,318	322	13.9%
Non-current assets held for sale	310	303	6	2.0%
CURRENT ASSETS	8,484	7,234	1,247	17.2%
TOTAL ASSETS	21,891	19,603	2,287	11.7%
Capital	55	55	0	0.0%
Reserves and other valuation adjustments	4,497	3,943	554	14.0%
Profit attributable to the parent company	201	332	-131	-39.6%
Treasury shares	-17	-18	1	6.0%
ATTRIBUTABLE EQUITY	4,736	4,312	424	9.8%
NON-CONTROLLING INTERESTS	1,399	1,245	153	12.3%
EQUITY	6,135	5,557	577	10.4%
Interest-bearing debt	5,191	4,437	754	17.0%
Lease obligations	438	430	8	1.9%
Other non-current liabilities	2,509	2,264	244	10.8%
NON-CURRENT LIABILITIES	8,138	7,131	1,006	14.1%
Interest-bearing debt	2,253	1,946	306	15.7%
Lease obligations	81	68	14	20.4%
Trade payables	3,524	3,148	375	11.9%
Other current liabilities	1,532	1,490	43	2.9%
Liabilities associated with non-current assets held for sale	228	263	-35	-13.1%
CURRENT LIABILITIES	7,618	6,915	704	10.2%
TOTAL EQUITY AND LIABILITIES	21,891	19,603	2,287	11.7%

Consolidated cash flow

(Millions of euros)	H1 2022	H1 2021	Change (€m)	Change (%)
EBITDA	1,064	643	422	65.6%
Financial results (*)	-76	-95	19	20.3%
Change in working capital	-169	-187	19	10.0%
Other operating cash flow	-230	-247	16	6.7%
Operating cash flow	589	113	476	n.a.
Net ordinary CAPEX	-1,156	-1,082	-74	-6.8%
Divestments	20	73	-53	n.a.
Real estate inventories	-82	-113	31	27.5%
Net investment cash flow	-1,217	-1,122	-96	-8.5%
Treasury share buy-back	-1		-1	n.a.
Derivatives debt	62	33	28	84.6%
Exchange rate differences debt	-15	-10	-5	-45.4%
Perimeter changes and other	-93	-81	-12	-14.5%
Financing and other cash flow (*)	-47	-58	11	18.5%
Change in net debt + Decrease/Increase	-675	-1,066	391	36.7%

Note: IFRS16 operating lease payments totalled €76m in H1 2022, of which €13m are reflected in Financial results (net interest) and €63m in Financing and other cash flow.

Attributable Equity

ACCIONA's attributable equity at 30 June 2022 was €4,735 million, 98.8% more than at 31 December 2021.

Net Financial Debt

(Millions of euros)	30-Jun-2022	% of Total	31-Dec-2021	% of Total	Change (€m)	Change (%)
Project debt	687	9%	850	13%	-164	-19.3%
Corporate debt	6,757	91%	5,533	87%	1,224	22.1%
Total interest-bearing debt	7,444		6,383		1,060	16.6%
Cash + Current financial assets	-2,922		-2,536		385	15.2%
Net financial debt, excl. IFRS 16	4,522		3,847		675	17.5%
Net financial debt	5,041		4,345		697	16.0%

Net financial debt at 30 June 2022 was €5,041 million (including €519 million from the IFRS16 effect), representing a €697 million increase versus December 2021 due to a combination of the following factors:

- Operating cash flow of €589 million, which includes a €169 million diminution in working capital. "Other operating cashflow" comprises mainly taxes, non-controlling interests and results from equity accounted entities.
- Net investment cash flow of €1,217 million, including €770 million in Energy, €143 million in infrastructure, €223 million in Other Activities, and €82 million in Real Estate.

- *Financing and other cash flow* was -€47 million, including forex impacts and IFRS16 lease payments.

Financial gearing was as follows:

<i>(Millions of euros)</i>	30-Jun- 2022	31-Dec- 2021
Leverage (NFD / Equity) (%)	82%	78%

Capital Expenditure

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Energy	770	661	108	16.4%
Infrastructure	143	144	-1	0.6%
Construction	51	102	-51	-50.1%
Concessions	87		86	n.a.
Water	3	31	-28	-91.7%
Other infrastructure activities	3	10	-8	-74.3%
Other Activities	223	277	-53	-19.3%
Net ordinary capex	1,136	1,082	54	5%
Real Estate	82	113	-31	-28%
Divestments		-73	73	n.a.
Net investment cash flow	1,217	1,122	96	8.5%

Net ordinary capex across ACCIONA's various businesses in the first half of 2022, excluding real estate investments, amounted to €1,136 million, compared to the €1,082 million in the first half of 2021.

Energy invested €770 million, 67% of the Group's total net ordinary capex, mainly in projects under construction in Spain (Extremadura, Bolarque and others), the United States (Fort Bend, High Point and others) and Australia (MacIntyre).

Infrastructure invested a net total of €143 million, including investments of around €100 million in the equity of the Linha 6 concession in Brazil and the partial sale of the holding in the West Essex Parkway concession.

Capex in Other Activities includes the subscription of 100% of the capital increase carried out by Nordex at the end of June, which was equal to 10% of the affiliate's capital and resulted in an investment of €139 million. This investment raised ACCIONA's stake in Nordex from 33.6% to 39.66%. The subscription price was €8.70 per share.

4. Results by Division

4.1. Acciona Energía (Spain)

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Generation – Spain	833	321	512	159.4%
Intragroup adjustments, Supply and other	797	243	554	228.2%
Revenue	1,630	564	1,066	189.0%
Generation	619	179	440	246.0%
Generation – equity accounted	51	17	34	204.4%
Total Generation	670	196	474	242.4%
Intragroup adjustments, Supply and other	6	-16	21	136.2%
EBITDA	676	180	496	275.2%
<i>Generation margin (%)</i>	<i>80.5%</i>	<i>60.9%</i>		
EBT	640	115	525	455.3%
<i>Margin (%)</i>	<i>39.3%</i>	<i>20.4%</i>		

Period revenues in Spain amounted to €1,630 million, 189% more than in H1 2021 due to higher prices in the Generation and Energy Supply activities.

Generation revenues, which make up most of the EBITDA contribution, grew by 159.4% to €833 million.

Meanwhile, EBITDA increased by 275.2% to €676 million.

Generation EBITDA amounted to €670 million, 242.4% higher than H1 2021.

- Total installed capacity in Spain at 30 June 2022 was 4,650 MW compared to 4,452 MW at 30 June 2021, an increase of 197 MW.
- Consolidated production in Spain decreased by 5.9% in the period.
- The average price in Spain during the period was €169.4/MWh, an increase of 175.8% compared to the first half of the prior year. The average Pool price was €206/MWh (+251.6%) in the period. The sharp increase in Spanish power prices commenced in the latter part of H1, resulting in an average price of €58.6/MWh for the period compared to €164.4/MWh in the second half of 2021.
- ACCIONA Energía's achieved price in H1 2022 was €35.3/MWh, which is less than the average pool price for the period, mainly as a result of hedging (the average price of the hedged volume was €125/MWh) and to a lesser extent the regulatory banding mechanism, which held the price of regulated volumes down to an average €21/MWh.
- Regulatory income recognition was also lower as a result of the ongoing interim regulatory review applicable from 1 January 2022, falling from €98 million in the first half of 2021 to €38 million in H1 2022.
- H1 2021 results included non-recurring EBITDA of €25 million related to the hydro levy rebate ruling.

SPAIN – REVENUE DRIVERS AND PRICE COMPOSITION

	Consolidated production (GWh)	Achieved price (€/MWh)				Revenues (€m)			
		Market	Rinv+Ro	Banding	Total	Market	Rinv+Ro	Banding	Total
H1 2022									
Regulated	1,712	206.7	22.2	-20.9	207.9	354	38	-36	356
Wholesale - hedged	2,225	125.1			125.1	278			278
Wholesale - unhedged	979	203.0			202.5	199			198
Total - Generation	4,917	169.0	7.7	-7.3	169.4	831	38	-36	833
H1 2021									
Regulated	2,865	50.6	34.3	-9.4	75.6	145	98	-27	217
Wholesale - hedged	1,781	40.3			40.3	72			72
Wholesale - unhedged	581	56.3			56.3	33			33
Total - Generation	5,228	47.7	18.8	-5.1	61.4	250	98	-27	321
Chg. (%)									
Regulated	-40.2%				175.1%				64.4%
Wholesale - hedged	25.0%				210.6%				288.1%
Wholesale - unhedged	68.4%				259.7%				505.8%
Total - Generation	-5.9%				175.8%				159.4%

(€/MWh)	H1 2022	H1 2021	Change (€m)	Change (%)
Achieved market price	204.3	53.2	151.1	284.1%
Gas and CO ₂ clawback	-0.1	0.0	-0.1	n.a.
Hedging	-35.3	-5.5	-29.8	n.a.
Achieved market price with hedging	168.9	47.7	121.2	253.9%
Regulatory income	7.7	18.8	-11.1	-58.9%
Banding (estimated)	-7.3	-5.1	-2.2	n.a.
Average price	169.4	61.4	108.0	175.8%

International

(Millions of euros)	H1 2022	H1 2022	Change (€m)	Change (%)
Generation – International	358	377	-19	-5.1%
USA	50	107	-57	-53.3%
Mexico	101	76	25	32.4%
Chile	36	49	-13	-26.4%
Other Americas	28	26	3	11.0%
Americas	215	258	-42	-16.4%
Australia	39	31	8	27.0%
Rest of Europe	66	54	13	23.4%
Rest of the world	37	35	2	6.0%
Intragroup adjustments, Supply and other	218	100	118	118.4%
Revenue	576	477	99	20.7%

Generation – International	249	295	-45	-15.4%
USA	34	91	-57	-62.4%
Mexico	77	57	21	36.9%
Chile	18	35	-17	-48.7%
Other Americas	22	20	2	8.9%
Americas	152	203	-51	-25.2%
Australia	24	20	4	19.1%
Rest of Europe	46	44	2	3.7%
Rest of the world	27	27	0	0.0%
Generation – equity accounted	2	11	-9	-81.8%
Total Generation	251	305	-54	-17.7%
Intragroup adjustments, Supply and other	-17	15	-33	-212.3%
EBITDA	234	321	-87	-27.0%
Generation margin (%)	70.1%	80.9%		
EBT	-71	110	-181	-164.3%
Margin (%)	-12.3%	23.1%		

Revenues in the International portfolio increased by 20.7% thanks to higher Supply prices, while Generation revenues fell by 5.1% to €358 million, mainly due to the non-recurring nature of the prices achieved in Texas last year.

EBITDA from the International business decreased by 27.0% to €234 million as the US business saw non-recurring profits last year due to the Texas storm.

- Consolidated international installed capacity totalled 4,678 MW at 30 June 2022.
- Total consolidated production increased by 6.6% to 5,330 GWh.
- Except for the extraordinary prices achieved in Texas in H1 2022 and the drop in prices in Chile, all markets are generally up. The average International price decreased by 11.0%, as US prices fell 59.5%.

INTERNATIONAL – REVENUE DRIVERS

	Consolidated production (GWh)	Achieved price (€/MWh)	Generation revenues (millions of euros)
H1 2022			
USA (*)	1,147	43.4	50
Mexico	1,437	70.4	101
Chile	1,042	34.5	36
Other Americas	339	84.0	28
Americas	3,965	54.3	215
Australia	470	83.0	39
Rest of Europe	477	138.6	66
Rest of the world	418	89.5	37
Total Generation	5,330	67.2	358

H1 2021

USA (*)	996	107.1	107
Mexico	1,386	55.2	76
Chile	893	54.8	49
Other Americas	324	79.1	26
Americas	3,599	71.6	258
Australia	511	60.1	31
Rest of Europe	469	114.3	54
Rest of the world	420	83.9	35
Total Generation	4,999	75.5	377

Change (%)

USA (*)	15.2%	-59.5%	-53.3%
Mexico	3.6%	27.7%	32.3%
Chile	16.7%	-37.1%	-26.6%
Other Americas	4.6%	6.1%	11.0%
Americas	10.2%	-24.1%	-16.4%
Australia	-8.0%	38.1%	27.0%
Rest of Europe	1.8%	21.2%	23.4%
Rest of the world	-0.6%	6.6%	6.0%
Total Generation	6.6%	-11.0%	-5.1%

Note: 238MW situated in the United States also receive a "normalised" PTC of \$25/MWh

Breakdown of Installed Capacity and Production by Technology

30 June 2022	Total		Consolidated		Net	
	MW Installed	GWh Produced	MW Installed	GWh Produced	MW Installed	GWh Produced
Spain	5,697	6,220	4,650	4,917	5,131	5,507
Wind	4,681	4,985	3,648	3,682	4,125	4,283
Hydropower	868	1,014	868	1,014	868	1,014
Solar PV	87	2	73	2	79	2
Biomass	61	219	61	219	59	209
International	5,515	6,256	4,678	5,330	4,320	4,859
Wind	4,005	4,708	3,804	4,502	3,217	3,757
Mexico	1,076	1,437	1,076	1,437	925	1,213
USA	1,062	1,123	990	1,084	851	964
Australia	592	537	528	470	492	411
India	164	156	164	156	142	135
Italy	156	138	156	138	117	103
Canada	181	285	141	210	106	158
South Africa	138	176	138	176	57	72
Portugal	120	139	120	139	84	98
Poland	101	132	101	132	76	99
Costa Rica	50	129	50	129	32	84
Chile	312	394	312	394	301	380
Croatia	30	38	30	38	23	29
Hungary	24	25	0	0	12	12
Solar PV	1,447	1,485	810	764	1,055	1,054
Chile	610	648	610	648	610	648
South Africa	94	87	94	87	39	36
Portugal	46	45	0	0	23	22
Mexico	405	451	0	0	202	225
Egypt	186	225	0	0	78	95
Ukraine	100	30	100	30	97	29
USA	6	0	6	0	6	0
Solar Thermoelectric (USA)	64	63	64	63	48	47
Total Wind	8,685	9,693	7,452	8,185	7,342	8,040
Total other technologies	2,527	2,783	1,876	2,062	2,109	2,326
Total Energy	11,212	12,476	9,328	10,247	9,451	10,366

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4.2. Infrastructure

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Construction	2,003	1,598	405	25.3%
Concessions	22	20	2	8.3%
Water	560	516	44	8.6%
Other Infrastructure Activities	71	78	-7	-8.7%
Consolidation adjustments	-10	-17	8	44.9%
Revenue	2,648	2,196	452	20.6%
Construction	84	57	28	49.2%
Concessions	15	18	-4	-19.5%
Water	44	44	0	0.3%
Other Infrastructure Activities	7	7	-1	-11.3%
EBITDA	149	126	24	18.8%
<i>Margin (%)</i>	<i>5.6%</i>	<i>5.7%</i>		
EBT	41	37	3	9.2%
<i>Margin (%)</i>	<i>1.5%</i>	<i>1.7%</i>		

Revenues in Infrastructure totalled €2,648 million, 20.6% higher than in the first half of 2021, and EBITDA was €149 million, up 18.8% compared to H1 2021.

Infrastructure Backlog

<i>(Millions of euros)</i>	30 Jun. 2022	31 Dec. 2021	Change (%)	Weight (%)
Construction	13,710	12,087	13.4%	67%
Water	5,650	5,462	3.4%	27%
Other Infrastructure Activities	1,220	547	122.9%	6%
TOTAL	20,580	18,096	13.7%	100%

<i>(Millions of euros)</i>	30 Jun. 2022	31 Dec. 2021	Change (%)	Weight (%)
Other Infrastructure Activities	15,378	13,719	12.1%	75%
O&M Water	3,982	3,830	4.0%	19%
Other Infrastructure Activities	1,220	547	122.9%	6%
TOTAL	20,580	18,096	13.7%	100%

<i>(Millions of euros)</i>	30 Jun. 2022	31 Dec. 2021	Change (%)	Weight (%)
Spain	4,063	3,315	22.6%	20%
International	16,517	14,781	11.7%	80%
TOTAL	20,580	18,096	13.7%	100%

The total Infrastructure backlog increased by 13.7% compared to 31 December 2021 to reach €20,580 million, while the construction and water projects backlog totalled €15,378 million, 12.1% higher than at 31 December 2021, in both cases a new all-time high. New projects worth €4,553 million were awarded in the first half of the year, comprising €3,880 million in Construction and Water, including Line 11 of the Madrid Metro (€176 million) and the Palma de Mallorca

airport expansion (€199 million) in Spain, La Serena hospital in Chile (€134 million), and MacIntyre wind farm in Australia (€371 million).

Including ACCIONA's stakes in equity accounted projects, the total Infrastructure backlog amounted to €29,208 million.

Construction

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Revenue	2,003	1,598	405	25.3%
EBITDA	84	57	28	49.2%
<i>Margin (%)</i>	4.2%	3.5%		

Revenues increased by 25.3% to €2,003 million and EBITDA was €84 million, compared to €57 million in the first half of 2021, which continued to suffer tail-end effects from the COVID-19 pandemic. The EBITDA margin increased to 4.2%, driven by growth in revenues, which were particularly strong in Brazil, Australia, Norway and the Philippines, where the Cebu bridge was completed in the second quarter.

Concessions

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Revenue	22	20	2	8.3%
EBITDA	15	18	-4	-19.5%
<i>Margin (%)</i>	66.2%	89.0%		

Concession revenues increased by 8.3% but EBITDA fell by 19.5% due to the sale of a series of concession assets in Spain agreed in the fourth quarter of 2020. The transaction was finally completed in 2021.

Water

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Revenue	560	516	44	8.6%
EBITDA	44	44	0	0.3%
<i>Margin (%)</i>	7.8%	8.5%		

Water revenues increased by 8.6% in the first half of 2022 and EBITDA remained largely unchanged at €44 million, although the EBITDA margin slipped from 8.5% in H1 2021 to 7.8% in H1 2022 due to the impact of higher energy costs on O&M activities.

Other Infrastructure Activities

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Revenue	71	78	-7	-8.7%
EBITDA	7	7	-1	-11.3%
<i>Margin (%)</i>	9.2%	9.4%		

Other Infrastructure Activities, including Citizen Services (environmental and urban services) generated revenues of €71 million and EBITDA of €7 million in the first half of 2022, resulting in an EBITDA margin of 9.2% which is similar to the 9.4% margin obtained in H1 2021.

4.3. Other Activities

<i>(Millions of euros)</i>	H1 2022	H1 2021	Change (€m)	Change (%)
Real Estate	25	39	-14	-34.9%
Bestinver	55	62	-7	-11.3%
Corporate and other	409	346	64	18.4%
Revenue	490	447	43	9.6%
Real Estate	-9	-8	-1	8.0%
<i>Margin (%)</i>	-35.5%	-21.4%		
Bestinver	28	34	-6	-18.8%
<i>Margin (%)</i>	49.8%	54.5%		
Corporate and other	0	3	-4	n.a.
EBITDA	18	29	-11	-37.2%
EBT	-123	-11	-112	n.a.

Real Estate

Real Estate revenues and EBITDA both fell in H1 2022 as a result of the diminution in deliveries of residential units in the period. A total of 108 units were delivered between January and June 2022 compared to 156 in the first six months of 2021.

Bestinver

Bestinver's revenues fell by 11.3% and EBITDA by 18.8% as a result of the lower average assets under management, which amounted to €6,346 million in the first half of 2022 versus €6,893 million in the H1 2021.

At the end of June 2022, funds under management reached €5,468 million, a 22% drop compared to 31 December 2021, mostly driven by portfolio yields.

Corporate and Other Activities

Corporate and Other Activities include Airport Handling, Mobility and Facility Services, among others. Activity in 2021 showed a notable improvement compared to 2020, when it was heavily impacted by the effects of the COVID-19 pandemic. Total revenues increased by 9.6% in the first half of 2022, driven by the strong performance of facility management, airports and logistics.

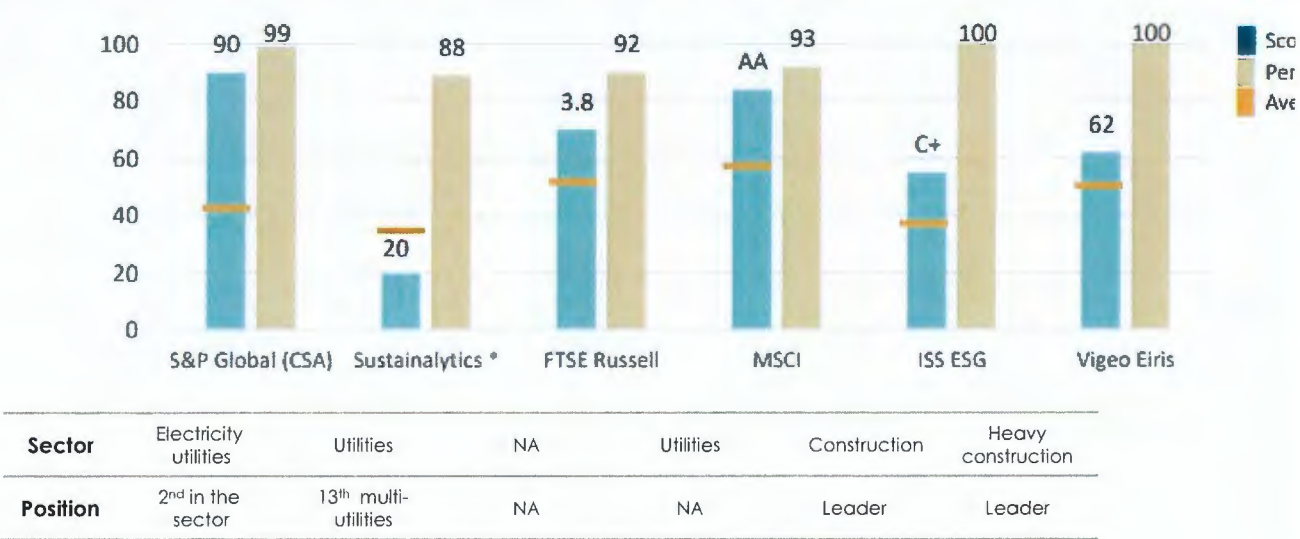
In the Mobility activity, ACCIONA announced a strategic partnership with Eve, an Embraer subsidiary, in March 2022 to partner the development of a sustainable worldwide Urban Air Mobility ecosystem. ACCIONA has invested US\$30 million (€28 million) and will join the group of strategic investors currently supporting the development of Eve and its business plan.

5. Sustainability

CURRENT EXTERNAL EVALUATION: PRESENCE IN INDICES AND SUSTAINABILITY RANKINGS

ESG analyst ratings

Various ESG analysts have evaluated ACCIONA in terms of sustainability.



The Sustainalytics ESG Risk Rating assigns a lower rating to companies with lower exposure and better ESG risk management

Presence in sustainability Indexes

ACCIONA is part of several sustainability stock market indexes that include leading companies in this field.

Supplier	Index name
	iClima Global Decarbonisation Enablers
	STOXX Europe 600 ESG Broad Market
	STOXX Global ESG Social Leaders
	STOXX Global ESG Environmental Leaders
	STOXX Sustainability
	STOXX Europe 600 Low Carbon
	Solactive Corner Global Family Owned ESG Company
	Solactive ISS ESG Screened Europe
	Solactive Candriam Factors Sustainable Europe
	Euronext Vigeo Europe 120
	Euronext ESG Biodiversity Screened World
	MSCI World Custom ESG Climate Series A
	MSCI Europe SRI S-Series
	FTSE4Good Europe
	FTSE4Good Developed
	Bloomberg SASB Developed Markets ex-US ESG ex-Controversies
	ICE FactSet Carbon Neutral Megatrend
	IQ Candriam Clean Oceans Index-NTR

Presence in rankings and others sustainability awards

ACCIONA also received the following accolades in 2022.

Accolade	Organisation	Position	Details
Europe's Climate Leaders 2022	Financial Times	Among the 400 most decarbonised companies	List of the 400 European companies that have achieved the greatest reduction in Scope 1 & 2 GHG emissions intensity over a five year period
Top 100 Company 2021 Diversity & Inclusion Index	Refinitiv	36 th in the world	ACCIONA is one of the world's leading companies in terms of diversity and social inclusion in the workplace
CDP Climate Change 2021	CDP	Leader (A list)	List of companies with the best practices and results in emissions reduction, climate change strategy and alignment of their activities with a low-carbon economy
CDP Water 2021	CDP	A-	List of companies with the best water safety practices and results in water disclosure, production and reduction of environmental impacts

ACCIONA, a global leader in sustainability according to S&P Global

ACCIONA closed 2021 as the most sustainable electricity utility in Spain, and the second in the world, according to Sustainability Yearbook 2022 prepared by S&P Global. ACCIONA obtained a rating of 90 out of 100 points.

For the preparation of this yearbook, S&P Global analysed more than 7,500 top-tier international companies from 61 business sectors. The methodology applied evaluates a broad concept of sustainability that includes economic, environmental, social and human resources performance.

For all of these reasons, S&P Global awarded ACCIONA the Gold Sustainability Yearbook Award 2022, a distinction that places it on the podium of the world's best utilities in the area of sustainability.

SUSTAINABILITY HIGHLIGHTS

Non-financial reporting

ACCIONA published information on its sustainability performance in 2021 in the form of its Non-Financial Information Statement 2021 (2021 Sustainability Report), which is an integral part of ACCIONA's Consolidated Directors' Report 2021.

Participation in Initiatives

ACCIONA has signed the Charter promoted by CLG Europe, which urges the President of the European Commission, Ursula von der Leyen, and MEPs to accelerate the transition to a green and decarbonised economy, abandoning the use of fossil fuels and making a firm commitment to renewable energy. Supplementing the letter, examples such as that of Acciona Energy were attached to highlight the decarbonised solutions that European companies are ready to offer.

ACCIONA continued to participate as a member of leading sustainability entities, such as UNGC, CLG Europe, WBCSD and The Climate Pledge. In the first half of the year, ACCIONA took part in more than 60 public events held nationally and internationally on topics such as decarbonisation, sustainable finance, climate change, human rights, companies with a purpose and leadership.

ACCIONA was awarded the Dircom Ramón del Corral prize in H1 2022 for the excellence of its Sustainability Report 2020. The awards ceremony was held on 1 June 2022. ACCIONA took the honours in the Sustainability and ESG category for the subcategory "Best Sustainability Report".

SUSTAINABLE FINANCE

Maximising the capacity of sustainable finance reinforces the value of the company and the regenerative and competitive benefits of projects. ACCIONA promotes innovative sustainable finance solutions that enable the creation of differences and advantages in the development of regenerative infrastructures, leveraging the interest of capital markets in financing the compliance gaps in Sustainable Development Goals.

ACCIONA uses two sustainable financing mechanisms, consisting of projects and activities with sustainable objectives focusing on promoting specific positive impacts, and corporate financing, which entails commitments to improve the ESG performance of the entire company.

6. Sustainable financing operations

Type of financing	No. of ongoing operations	No. of new operations or extensions in 2022	Outstanding amount (€m)
Green financing	46	7	3,026
Financing linked to sustainability commitments	4	2	3,859
Total	50	9	6,885

Green financing

ACCIONA has a Green Financing Framework whose eligible activities are aligned with a low-carbon economy. The framework has been reviewed by Sustainalytics, which issued a second party opinion (SPO) confirming alignment with Green Bond Principles and Green Loan Principles.

As a result, total financing instruments under the Green Financing Framework exceed €3,000 million by mid year 2022.

Financing linked to sustainability commitments

ACCIONA renewed its Sustainability-Linked Financing Framework in 2022. DNV issued a second party opinion (SPO) confirming alignment of the framework with Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles.

ACCIONA has four ongoing operations (two of them new in 2022), which link reductions in borrowing costs to the achievement of corporate sustainability objectives and commitments to generate positive local impacts. The framework has been updated in 2022 to include two new KPIs, namely KPI5 (number of decarbonisation plans for small and medium-sized ACCIONA suppliers) and KPI 6 (development of low/zero carbon markets for the infrastructure sector).

The objectives set out in this framework are annual and the targets set for 2021 have been met. The monitoring data published in the *Sustainable Finance Report*. The total financing instruments contracted under the sustainability-linked financing scheme exceeded €3,800 million by mid year 2022.

More information about green finance instruments and the projects to which they are allocated will be found at <https://www.acciona.com/shareholders-investors/stock-market-information/sustainable-finance/>



7. Material Events in the period

- 19 January 2022: ACCIONA submits details of the transactions under the Liquidity Agreement between 19/07/2021 and 18/10/2021, inclusive.
 - Details of transactions in the eighteenth quarter of the aforementioned agreement (from 19 October 2021 to 18 January 2022, inclusive).
- 24 February 2022: The Board of Directors of ACCIONA, S.A., on the recommendation of the Appointments and Remuneration Committee, approves a new plan for the delivery of shares to management of the ACCIONA Group (the “2022 Plan”), which will allow its beneficiaries to receive shares as an exception that does not create vested rights. This plan aims to:
 - Deliver a certain number of shares each year to one or more of the recipients based on the achievement of targets and job performance in the financial year reviewed; and to
 - Authorise the Board of Directors to approve multi-annual share awards to one or more of the recipients based on achievement of targets and extraordinary job performance for a specific multi-year period of at least three years and not exceeding the duration of the 2022 Plan, subject to the recommendation of the Appointments and Remuneration Committee, and to establish the periods to be reviewed.
- 20 April 2022: ACCIONA publishes information on the liquidity contract transactions carried out between 19/01/22 and 10/04/22, inclusive.
 - Details of transactions in the nineteenth quarter of the aforesaid agreement (from 19 January 2022 to 10 April 2022, inclusive).
- 22 June 2021: At today’s General Shareholders Meeting, held on second call, with the attendance of 87.19% of the Company’s share capital (including treasury shares), shareholders have approved with, at least 82.45% of the share capital present at the Meeting, all of the items of the agenda submitted for voting in the terms included in

the documentation available to shareholders as such items of the agenda were communicated to the CNMV on 19 May 2022 with registration number 16359.

- 23 June 2022: As a result of the resolutions approved at the General Shareholders Meeting held today and at the meeting of the Board of Directors which followed, ACCIONA reports the new composition of the Board of Directors. The number of members of the Board of Directors is set at twelve.

Furthermore, the Board of Directors at its meeting held after the General Shareholders' Meeting, approved the following resolutions:

- To amend the composition of the Audit and Sustainability Committee, which shall be comprised of the following five members: Mr Javier Sendagorta Gómez del Campillo (Chairman), Mr Jerónimo Marcos Gerard Rivero (Member), Ms María Dolores Dancausa Treviño (Member), Ms Sonia Dulá (Member), and Mr Daniel Entrecanales Domecq (Member).
 - To amend the composition of the Appointments and Remuneration Committee, which shall be comprised of the following five members: Mr José María Pacheco Guardiola (Member), Ms Maite Arango García-Urtiaga (Member), Mr Carlo Clavarino (Member), and Mr Javier Entrecanales Franco (Member).
- 23 June 2022: ACCIONA informs of the resignation presented today, by means of a letter addressed to the Board of Directors, of the independent director Ms Ana Sainz de Vicuña Bemberg for personal reasons. Ms Sainz de Vicuña was also a member of the Appointments and Remuneration Committee.
 - 26 June 2022: ACCIONA has subscribed a capital increase in the German wind turbine manufacturer Nordex SE (NDX1) for 10% of its share capital, excluding the pre-emptive subscription right of the rest of the shareholders. This transaction resulted in an investment of €139 million and increased ACCIONA's shareholding in Nordex SE from 33.6% to 39.6%. The subscription price was EUR 8.7 per share.
 - 29 June 2022: ACCIONA reports that the General Shareholders Meeting held on 23 June 2022 approved resolved the dividend for the financial year 2021, which will be payable on 7 July 2022 via 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: 4 July 2022
 - ExDate: 5 July 2022
 - Record Date: 6 July 2022
 - Payment Date: 7 July 2022

The EUR 4.1 per share gross dividend approved by the Annual General Shareholders Meeting has been slightly increased to the amount of EUR 4.11264818 per share due to the direct treasury shares adjustment.

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

ACCIONA has published the following relevant information since 30 June 2022:

- 10 July 2022: ACCIONA reports that today, the Management Board of NORDEX, SE, with the approval of the Supervisory Board, resolved to launch a capital increase, with preferential subscription rights for shareholders, by issuing up to 35,923,089 shares at a value of EUR 5.90 per share. ACCIONA will subscribe shares in proportion to its current stake of 39.66% of NORDEX SE's share capital.
 - As a result of this capital increase, NORDEX SE's share capital amounts to a total of EUR 211,946,227 divided into the same number of shares.
- 21 July 2022: ACCIONA publishes information on the liquidity contract transactions carried out between 20/04/22 and 20/07/22, inclusive.

- The transactions corresponding to the twentieth quarter of the aforementioned agreement (from 20 April 2022 to 20 July 2022, inclusive) are detailed.

8. Dividend

On 24 February 2022, ACCIONA's Board of Directors proposed the distribution of a dividend of €224.9 million (€4.10 per share) charged to the profit for 2021. This dividend was approved by the Shareholders at their Annual General Meeting held on 23 June 2022.

9. ACCIONA Share Price Evolution, H1 2022



10. Key Share Data

	30 June 2022
Price at 30 June 2022 (€/share)	175.50
Price at 31 December 2021 (€/share)	168.10
Low in H1 2022 (19/04/2022)	134.10
High in H1 2022 (23/02/2022)	196.50
Average daily trading (shares)	129,309
Average daily trading (€)	22,021,763
Number of shares	54,856,653
Market capitalisation at 30 June 2022 (€ million)	9,627

11. Share capital

As of 30 June 2022, ACCIONA's share capital amounted to €54,856,653, represented by 54,856,653 ordinary shares of €1 par value each.

As of 30 June 2022, the Group held 168,708 treasury shares representing 0.3075% of share capital.

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

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

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

Regulatory risks

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

A significant part of the Group's generating activity in Spain is subject to the regulatory framework established by Spanish Royal Decree Law 9/2013, which was subsequently enshrined in the Spanish Electricity Act (Law 24/2013 of 26 December) and related secondary legislation. The remuneration model established seeks to ensure predictable revenues for regulated generating facilities, and to mitigate their exposure to fluctuations in market prices via reviews of the applicable remuneration parameters every three years (the "regulatory half period"). The legislation also provides for the possibility of future remuneration parameter reviews every six years (the "regulatory period"). Any amendments arising in this respect could affect the results of the regulated activities.

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

The current situation of energy prices, which is mainly a consequence of the Russian invasion of Ukraine, has prompted the Spanish government to launch a series of measures to hold down electricity market prices and other costs associated with the electricity bill. The main such measures affecting the operations of Acciona Energía are as follows:

- Royal Decree 6/2022 provided for an extraordinary update of the parameters applicable to the specific remuneration system for renewable generating assets. Exceptionally, the current regulatory subperiod was split 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 subperiod, which runs from 1 January 2023 until 31 December 2025. The parameter values established are pending publication by the Spanish Ministry for the Ecological Transition and the Demographic Challenge (MITECO in the Spanish acronym).
- Royal Decree Law 17/2021 established a mechanism to cap the remuneration of non greenhouse gas emitting generating facilities, including those using renewable technologies. This temporary measure has been extended and will now be applied until 31 December 2022. The Royal Decree Law provides for certain exceptions (facilities qualifying for regulated remuneration and hedged sales subject to long-term power purchase agreements), most of which apply to Acciona Energía's portfolio of generating assets.
- Royal Decree Law 10/2022 establishes 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 (*Decreto-Lei n.º 33/2022 de 14 de maio*) implements the same arrangements so as to harmonise the reforms applied.

In both cases the legislation, dubbed the “Iberian exception”, establishes a cost adjustment 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 will be increase by €5/MWh per month for the remaining six months up to a ceiling of €70/MWh in the last month of 2022. Application of the mechanism in the electricity markets commenced on 14 June.

The market operator is responsible for settlement of the price adjustment mechanism in each trading session, and the cost is distributed among the Iberian electricity market members via their purchases of power. However, contributions to the mechanism will depend on the level of each member’s participation in the market measured in terms of the volumes of electricity purchased.

Meanwhile, purchasing units holding certain hedging instruments, mainly forward instruments contracted in the markets prior to 26 April 2022 will be exempt from adjustment cost payments.

The uncertainties associated with the second half of 2022 also include the resumption of parliamentary proceedings relating to the Bill for the remuneration of unemitted CO₂ in the electricity market, which are scheduled to begin in September. The final scope of the Spanish government’s proposals is still shrouded in uncertainty, and it is still not known whether the new measure will stand side by side with those described above, which remain in force.

On the international scene, ACCIONA 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.

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

Financial risks

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

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

Interest rate risk: The risk associated with fluctuations in interest rates is particularly significant in relation to the financing of Construction and Water projects, and to the construction of electricity generating facilities such as wind farms and solar parks (Energy Division), insofar as the notional amounts concerned in such projects are high and even small changes in interest rates can significantly impact ACCIONA’s balance sheet and income statement.

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

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

The Group is mainly exposed to Euribor, which is the primary benchmark rate for euro-denominated borrowings.

Currency risk: The risk of changes in exchange rates arises from the appreciation or depreciation of the currencies in which the Group operates with respect to the functional currency of the Parent Company, which is used to present its

financial results. ACCIONA's increasing internationalisation has resulted increased its exposure to exchange rate risk on transactions in the currencies of the countries where it invests and operates. Exchange rate risks mainly affects investments, debt, procurements and services denominated in currencies other than the euro, as well as collections and payments in foreign currencies. The main currencies to which the Group is exposed are the euro, the US dollar and the Australian dollar.

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

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

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

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

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

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

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

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

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

Environmental risks

ACCIONA takes a two-pronged approach to ensure ongoing improvement of its ESG risk management model:

- Ever more detailed and specific ESG risk assessments tailored to the location and function of each activity
- Inclusion of two additional risk management variables, contagion and velocity, via a proprietary tool (Resilience)

The Resilience tool is a key decision-making instrument in scenarios involving interrelated factors, such as those often found in the case of non-financial risks, because it allows the examination of exposures not only in isolation but also in association with other risks.

The Company organises Resilience workshops for its business units, which have helped create a common space within which ESG risks can be assessed and reports, rankings and links with other wider issues can be consulted.

The results of the risk assessments made are contrasted with the exposure of each business in the countries where the Group maintains a presence. Exposure levels are based on external benchmarks, which allow comparison and facilitate the identification of possible weaknesses. Specific remedial guidelines have been drawn up for the most significant risks in order to minimise adverse outcomes and/or the probability of materialisation. These measurement measures are applied via the Sustainability Master Plan and continuous improvement of business management systems.

Uncertainties associated with climate change

The assessment of these risks is not expected to change.

The matters in question are controlled applying a special corporate procedure, which identifies, measures, prioritises and reports risks associated with climate change to management, where they could affect the Group's operating facilities. This process results in the implementation of policies and tolerance thresholds designed reasonably to assure the attainment of objectives in the short term (1 year), in the medium term (5 years covered by the Sustainability Master Plan) and in the long term (10 years, based on the observation of megatrends and tracking of existing science-based and other targets).

A range of tools are used to identify climate-related risks and opportunities, including the Company's digital climate change model, which monitors historical and projected climate variables at all of ACCIONA's facilities, applying different warming scenarios and time horizons based on recent IPCC reports and the maps provided by NFGS (ngfs.net/en).

This tool is used to track production, financial, emissions and power consumption variables. It also contains references to climate policy and the carbon markets in each region, offering a key information resource to anticipate situations related, in particular, with medium to long-run physical events and short-medium run transition impacts. Meanwhile, the identification of activities according to the European ESG taxonomy provides a key benchmark for the design of medium-long run transition scenarios. The identification process applied also utilises additional tools that have not yet been included in the digital model, e.g. searches for legal requirements, an area in which the experience of the teams charged with evaluating different scenarios is indispensable.

The risk management process is carried out annually, beginning with the formation of a group of experts at the level of each business. Using the aforementioned tools, each business unit prepares a battery of risk scenarios affecting all of the Company's facilities, CGUs and/or activities (and/or those of the entire value chain) based on their geographical exposure and/or vulnerability.

The climate scenarios most commonly used to identify cases of transition risk involve forecast temperature increases of between 1.5 and 2 degrees Celsius, or increases of at least 3º C in cases of physical risk (RCP 6 and RCP 8.5).

Having defined each scenario, the risk is assessed in terms of the probability of occurrence and the likely economic and reputational consequences. The variables considered determine the eventual level of risk inherent in each of the scenarios modelled. Where the risk of occurrence is found to be high, each assessment group prepares specific reports

for the Company's decision-making bodies, setting out mitigation options and the estimated costs associated with the scenario concerned.

Supply chain risk

The ACCIONA Group is exposed to global supply chain disruption caused first by the pandemic and now aggravated by the war in Ukraine. This disruption has combined with sharply rising inflation to drive up raw materials and freight prices and raise the risk of delays in the delivery of procurements, especially in international Infrastructure activities.

Transport snarls and delays have worsened in the first half of 2022 at the ports and airports of key countries like China as a result of strict lockdowns imposed to deal with COVID-19, while available containers have become increasingly scarce at the main European ports as a result of the conflict in Ukraine. At the domestic level, a lorry drivers' strike in Spain also impacted local supply chains.

Some key markets (e.g. Iberia and Poland) have responded to runaway prices by promulgating statutory instruments allowing price reviews in public contracts that lack the necessary provisions or correcting clauses to bring them into line with market realities.

In addition to these government measures, the ACCIONA Group has managed supply chain risks on an ongoing basis, ensuring close coordination between procurements and contract management departments.

In the procurements area, efforts have centred on forward planning and forecasting of needs at the Group level, ensuring fluid communication with strategic suppliers, continuous tracking and reporting of trends in commodity price indices, and the optimisation of logistics routes. This enhanced focus on logistics management has been supported by the launch of a common platform where suppliers and logistics agents can partner ACCIONA to anticipate risks and enhance the traceability of goods in transit.

Meanwhile, contract management works in tandem with procurements to negotiate price review formulas at the bidding stage of the contracting process, and to ensure active contract management in the execution phase, ensuring that cost overruns caused by rising materials costs are shared and adequately reflect the reality of price hikes and impacts caused by both COVID-19 and the war in Ukraine.

Despite the signs that the trend in commodity prices (e.g. steel, copper, aluminium and nickel) may be slowing, the Group will continue to work on the measures described, focusing particularly on the issue of European gas supplies as it unfolds, inflationary trends, and the search for alternatives to optimise or substitute the most seriously affected materials.

Compliance risk

ACCIONA has implemented the necessary regulatory and crime-prevention compliance systems to reduce or mitigate the risk of fines relating, inter alia, to cases of criminal wrongdoing, money laundering, personal data breaches, and breaches of environmental, health and safety, competition and tax regulations.

The criminal Risk Map identifies and assesses risk events based on the likelihood of occurrence and potential impact, ensuring that the appropriate management measures are adopted to mitigate or reduce exposure. The Crime Prevention Model and assessments of criminal risks are reviewed on a regulatory basis, both by the Compliance department itself and by a qualified third party, given that the Model is certified under ISO 37001 – *Anti-Bribery Management Systems* and the Spanish UNE 19601 standard on *Criminal Compliance Management Systems*.

The main risks identified in relation to ACCIONA's activities in 2022 were as follows:

Medium risks (watch) in Corporation, Construction, Water, Concessions, Industrial and Energy comprise public and business corruption, as well offences against natural resources and the environment in Water and Energy. Other criminal risks are classified as low (maintain).

ACCIONA's Quality, Occupational Risk Prevention, Sustainability and Tax management systems provide for and mitigate the specific risks arising in these areas, among other matters. Activities are also affected by other external factors.

The activities carried on by the Group sometimes require applications to be made for permits, licences, official authorisations, as well as public contracting, and execution of civil engineering and construction work.

Delays in obtaining government approval, adverse changes in the political and regulatory environment in the countries where the Group operates, and periods of political transition can all delay the start of operations, shift the priorities involved in a given activity, or adversely affect works and the provision of services, resulting in fines and penalties that in turn impact ACCIONA's financial position and results.

The company has various insurance programmes to mitigate the impact on the balance sheet of 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.

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

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

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

In witness whereof, all the members of the Board of Directors of ACCIONA, S.A. hereby prepare and sign the Condensed Consolidated Financial Statements and Directors' Report for the six-month period ended 30 June 2022 at their meeting held on 28 July 2022:

Mr José Manuel Entrecañales Domecq
Chairman

Mr Juan Ignacio Entrecañales Franco
Vice-Chairman

Mr Javier Entrecañales Franco
Member

Mr Jerónimo Marcos Gerard Rivero
Member

Mr Daniel Entrecañales Domecq
Member

Ms Karen Christiana Figueres Olsen
Member

Mr Javier Sendagorta Gómez del Campillo
Member

Mr José María Pacheco Guardiola
Member

Ms Maite Arango García-Urtiaga
Member

Ms Sonia Dulá
Member*

Mr Carlo Clavarino
Member

Ms María Dolores Dancausa Treviño
Member

**Signed by the authorized representative of the director attending online.*

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 86 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 19 de septiembre 2022.

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 86 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, 19 September 2022.

FRANCISCA GÓMEZ MOLINA
Traductora - Intérprete Jurada de inglés
Nº 1138

