



Auditor's Report on Acciona, S.A.

(Together with the annual financial statements and directors' report of Acciona, S.A. for the year ended 31 December 2020)

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



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

Auditor's Report on the Financial Statements issued by an Independent Auditor

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

To the Shareholders of Acciona, S.A.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Acciona, S.A. (the "Company"), which comprise the balance sheet at 31 December 2020, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the accompanying financial statements) and, in particular, with the accounting principles and criteria set forth therein.

Basis for Opinion

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

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

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



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Key Audit Matters

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

Valuation of investments in group companies and associates

See notes 4.5.1 and 8.2.1 to the financial statements

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Company, which is the parent of the Acciona Group, has various investments in Group companies and associates, for which impairment provisions totalling Euros 993 million have been recognised at 31 December 2020 (Euros 1,190 million at 31 December 2019).</p> <p>At each reporting date, management and the Directors assess whether there is objective evidence that these investments may be impaired. If this is the case, they test them for impairment and determine the need to record new impairment provisions, or to increase or decrease the provisions recognised for impairment of these investments.</p> <p>To this end, the recoverable amount of investments in group companies and associates is determined by applying valuation techniques that require the exercising of judgement by management and the Directors and the use of estimates, considering certain assumptions that analyse macroeconomic trends, internal circumstances of the investees, discount rates, growth rates and forecast future business performance, among other aspects.</p> <p>Moreover, changes in the key assumptions considered by management and the Directors in the impairment tests could entail substantial modifications to the recoverable amount of the investments and, therefore, their carrying amount at year end.</p> <p>Due to the uncertainty and judgement associated with these estimates, as well as the significance of the carrying amount of the investments in group companies and associates, we have considered this valuation to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We assessed the processes followed by the Company in identifying objective evidence of impairment of investments in group companies and associates and, where applicable, in estimating their recoverable amount, and we tested the design and implementation of the key controls established by the Company in relation to these processes. We assessed the reasonableness of the methodology and assumptions used by the Company in estimating the recoverable amount of investments in group companies and associates, in collaboration with our corporate valuation specialists. In this respect, we evaluated the information contained in the valuation models, as well as the business plans of the investees used by the Company, considering the estimated and forecast future performance of the industry in which these investees operate. <p>In addition, we evaluated the growth rates and discount rates that were used as a basis to calculate the recoverable amounts, and the sensitivity of those recoverable amounts to changes in the key assumptions, in order to determine their impact on the valuation.</p> <ul style="list-style-type: none"> We also assessed whether the disclosures in the financial statements meet the requirements of the financial reporting framework applicable to the Company.



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Other Information: Directors' Report

Other information solely comprises the 2020 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the financial statements.

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

- a) Determine, solely, whether certain information included in the Annual Corporate Governance Report, as specified in the Spanish Audit Law, has been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.
- b) Assess and report on the consistency of the rest of the information included in the directors' report with the financial statements, based on knowledge of the entity obtained during the audit of the aforementioned financial statements. Also, assess and report on whether the content and presentation of this part of the directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have verified that the specific information mentioned in section a) above has been provided in the directors' report, that the rest of the information contained in the directors' report is consistent with that disclosed in the financial statements for 2020, and that the content and presentation of the report are in accordance with applicable legislation.

Directors' and Audit Committee's Responsibility for the Financial Statements

The Directors are responsible for the preparation of the accompanying financial statements in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee is responsible for overseeing the preparation and presentation of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Directors.
- Conclude on the appropriateness of the Company's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the audit committee of Acciona S.A. regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated to the audit committee of the Company, we determine those that were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters.

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



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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Additional Report to the Audit Committee _____

The opinion expressed in this report is consistent with our additional report to the Company's audit committee dated 18 February 2021.

Contract Period _____

We were appointed as auditor of the Company by the shareholders at the ordinary general meeting on 28 May 2020 for a period of one year, from the year commenced 1 January 2020.

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

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

(Signed on original in Spanish)

Borja Guinea López
On the Spanish Official Register of Auditors ("ROAC") with No. 16210
18 February 2021

ACCIONA, S.A.

ANNUAL FINANCIAL STATEMENTS

AND

DIRECTORS' REPORT

2020



CLARA LOIS LOZANO

TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS

Nº. 10009

ACCIONA, S.A.
BALANCE SHEET AT 31 DECEMBER 2020 AND 2019
(Thousand euros)

ASSETS	Notes to Financial Statement	31/12/2020	31/12/2019	EQUITY AND LIABILITIES	Notes to Financial Statement	31/12/2020	31/12/2019
NON-CURRENT ASSETS		6,742,455	6,503,914	EQUITY	Note 10	3,811,486	3,646,391
Intangible assets	Note 5	16,325	14,009	CAPITAL AND RESERVES		3,811,666	3,646,511
Computer software		2,472	223	Share capital		54,857	54,857
Intangible assets in progress		13,853	13,786	Issue share premium		170,110	170,110
Property, plant and equipment	Note 6	9,611	8,905	Reserves		3,348,589	3,190,133
Land and buildings		6,764	7,250	Legal and statutory		744,916	718,911
Other technical plant and fixtures & fittings		133	210	Other reserves		2,603,673	2,471,222
Other property, plant and equipment		1,881	746	Treasury stock		(22,049)	(28,633)
Advances and PPE in progress		833	699	Year's profit/(loss)		260,159	260,044
Non-current investments in Group companies, joint ventures and associates	Notes 8.2.1 & 16.2	6,502,498	6,303,363	VALUE ADJUSTMENTS		(180)	(120)
Equity instruments		6,476,887	6,296,343				
Credits to companies		25,611	7,020	NON-CURRENT LIABILITIES		527,532	603,625
Non-current financial investments	Note 8.1	10,653	4,749	Non-current provisions	Notes 11 & 16.3	41,702	97,489
Other financial assets		10,653	4,749	Other provisions		41,702	97,489
Deferred tax assets	Note 13.5	203,368	172,888	Non-current payables		386,571	406,957
				Debentures and other marketable securities	Note 12.2	142,213	112,063
CURRENT ASSETS		301,567	1,068,158	Bank borrowings	Note 12.1	244,343	294,879
Trade and other accounts receivable		56,764	53,268	Other non-current financial liabilities		15	15
Clients, Group companies and associates	Note 16.2	41,293	41,949	Payables to Group companies, joint ventures and associates	Notes 12.3 & 16.2	99,259	99,179
Sundry accounts receivable		2,422	3,573				
Personnel		798	803	CURRENT LIABILITIES		2,705,004	3,322,056
Current tax assets	Note 13.1	12,057	6,445	Current provisions		10	10
Other credits with Public Entities	Note 13.1	194	498	Short-term debt		401,395	119,749
Current investments in Group companies and associates	Notes 8.2.2 & 16.2	174,820	304,874	Debentures and other negotiable securities	Note 12.2	203,349	2,657
Current credits to companies and other financial assets		5,876	3,321	Bank borrowings	Note 12.1	159,794	117,092
Other financial assets		168,944	301,553	Other current financial liabilities	Note 12.4	38,252	--
Current prepayments		1,773	1,213	Current payables to Group companies and associates	Notes 12.3 & 16.2	2,254,683	3,133,058
Cash and other cash equivalents		68,210	708,803	Trade and other accounts payable		48,916	69,239
Cash	Note 9	68,210	708,803	Suppliers		21,080	21,435
				Suppliers, Group companies and associates	Note 16.2	2,332	2,236
				Sundry payables		10,312	6,832
				Personnel	Note 16.3	241	36,284
				Other payables to Public Entities	Note 13.1	14,951	2,452
TOTAL ASSETS		7,044,022	7,572,072	TOTAL EQUITY AND LIABILITIES		7,044,022	7,572,072

Notes 1 to 19 to the accompanying financial statements are an integral part of the balance sheet at 31 December 2020.

CLARALUIS LOZANO
 MADRID, 15 DE ENERO DE 2021
 N° 10009
 JURADA DE INGLES

ACCIONA, S.A.
INCOME STATEMENT FOR FINANCIAL YEARS 2020 AND 2019
(Thousand euros)

	Notes to Financial Statement	Year 2020	Year 2019
Net turnover	Note 15.1	245,066	352,584
Provision of services		59,749	75,944
Income from investments in equity instruments		184,197	276,178
Income from marketable securities and other financial instruments	Note 16.1	1,120	462
Work carried out by the Company on its own assets	Notes 5 & 6	4,195	10,176
Other operating income		158	127
Non-core and other current operating revenues		158	127
Personnel expenses	Note 15.2	(50,175)	(62,810)
Wages, salaries and similar		(42,789)	(51,423)
Welfare charges		(7,386)	(11,387)
Other operating expenses		(81,066)	(81,878)
External services		(80,857)	(83,259)
Taxes		(160)	1,381
Losses, impairment and changes in provisions for trade operations		(49)	--
Other operating expenses			
Amortisation/depreciation of assets	Notes 5 & 6	(1,183)	(816)
Impairment and profit/(loss) on disposal of financial instruments	Note 8.2.1	193,719	92,351
Excess provisions	Note 11	656	4,637
OPERATING PROFIT/(LOSS)		311,370	314,371
Financial income		3	12
From negotiable securities and other third-party financial instruments		3	12
Finance costs		(88,487)	(87,846)
For payables to Group companies, jointly-controlled entities and associates	Note 16.2	(74,700)	(71,504)
For payables to third parties		(13,787)	(16,342)
Change in fair value of financial instruments		(3,960)	223
Trading portfolio and other		(3,960)	223
Translation differences		2,577	(7,714)
FINANCIAL PROFIT/(LOSS)		(89,867)	(95,325)
PROFIT/(LOSS) BEFORE TAX		221,504	219,046
Tax on profit	Note 13.4	38,655	40,998
YEAR'S PROFIT/(LOSS)		260,159	260,044

Accompanying Notes 1 to 19 and the appendices are an integral part of the income statement for 2020.



CLARA LOIS LOZANO
TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS
Nº. 10009

ACCIONA, S.A.
STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL YEARS 2020 AND 2019
A) STATEMENT OF RECOGNISED INCOME AND EXPENSES
(Thousand euros)

	Year 2020	Year 2019
RESULTS OF INCOME STATEMENT (I)	260,159	260,044
Income and expense recognised directly in equity		
- For measurement of financial instruments		
- For cash flow hedges	(80)	(160)
- Grants, donations and legacies received	--	--
- For actuarial gains and losses and other adjustments	--	--
- Tax effect	20	40
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)	260,099	259,924
Transfers to the income statement:		
- For measurement of financial instruments	--	--
- For cash flow hedges	--	--
- Grants, donations and legacies received	--	--
- Tax effect	--	--
TOTAL TRANSFERS TO THE INCOME STATEMENT (III)	--	--
TOTAL RECOGNISED INCOME AND EXPENSES (I+II+III)	260,099	259,924

Accompanying Notes 1 to 19 and the appendices are an integral part of the statement of recognised income and expenses for 2020.

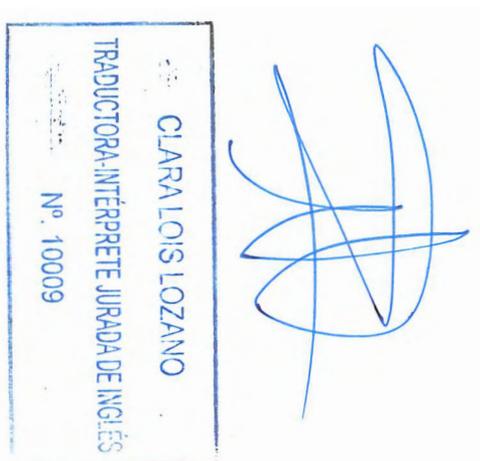


CLARA LOIS LOZANO
TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS
Nº. 10009

ACCIONA, S.A.
STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL YEARS 2020 AND 2019
B) COMPREHENSIVE STATEMENT OF CHANGES IN EQUITY
(Thousand euros)

	Share capital	Issue share premium	Reserves	Treasury stock	Year's profit/(loss)	Value adjustments	TOTAL
BALANCE AT 31/12/2018	57,260	170,110	3,307,859	(199,616)	233,855	--	3,569,468
Total recognised income and expense	--	--	--	--	260,044	(120)	259,924
Operations with shareholders	(2,403)	--	(117,726)	170,983	(233,855)	--	(183,001)
- Capital increases/(reductions)	(2,403)	--	(162,425)	164,828	--	--	--
- Application of results / dividends (Note 3)	--	--	42,036	--	(233,855)	--	(191,819)
- Operations with treasury stock (net)	--	--	2,664	6,155	--	--	8,819
BALANCE AT 31/12/2019	54,857	170,110	3,190,133	(28,633)	260,044	(120)	3,646,391
Total recognised income and expense	--	--	--	--	260,159	(60)	260,099
Operations with shareholders	--	--	158,456	6,584	(260,044)	--	(95,004)
- Capital increases/(reductions)	--	--	--	--	--	--	--
- Application of results / dividends (Note 3)	--	--	154,445	--	(260,044)	--	(105,599)
- Operations with treasury stock (net)	--	--	4,011	6,584	--	--	10,595
BALANCE AT 31/12/2020	54,857	170,110	3,348,589	(22,049)	260,159	(180)	3,811,486

Accompanying Notes 1 to 19 and the appendices are an integral part of the comprehensive statement of changes in equity for financial year 2020.



ACCIONA, S.A.
STATEMENT OF CASH FLOWS FOR FINANCIAL YEARS 2020 AND 2019
(Thousand euros)

	Notes	Year 2020	Year 2019
CASH FLOWS FROM OPERATING ACTIVITIES		228,959	(91,915)
Profit / (loss) before tax		221,503	219,046
Adjustments for:		(292,920)	(283,490)
Amortisation/depreciation of assets		1,183	816
Other adjustments (net)		(294,103)	(284,306)
Change in provisions	Notes 8.2.1 & 11	(197,773)	(98,982)
Profit/(loss) on disposal of assets		1,352	--
Financial income	Note 16.1	(1,120)	(474)
Dividends	Note 16.1	(184,197)	(276,178)
Finance costs	Notes 16.1 & 12.3	87,129	91,542
Translation differences		506	(214)
Changes in working capital		118,829	(144,675)
Other cash flows from operating activities:		181,547	117,204
Interest paid		(91,206)	(84,406)
Dividends received		275,797	216,127
Interest received		43	474
Collections/(payments) for tax on profit	Note 13	(3,087)	(14,991)
CASH FLOWS FROM INVESTMENT ACTIVITIES		(39,274)	(116,337)
Payments for investments:		(39,467)	(117,075)
Group companies, associates and business units	Note 8.2.1	(35,263)	(106,889)
PPE and intangible assets	Notes 5 & 6	(4,204)	(10,186)
Proceeds from disposal:		66	--
Group companies, associates and business units	Note 8.2.1	--	--
PPE and intangible assets	Notes 5 & 6	66	--
Other amounts received/(paid) relating to investment activities		127	738
CASH FLOWS FROM FINANCING ACTIVITIES		(830,279)	916,576
Receivables and (payments) for group equity and loans:	Note 8.2.2	(958,210)	1,149,553
Acquisitions		384	1,153,894
Disposals		(958,594)	(4,341)
Proceeds and (payments) relating to financial liability instruments:	Notes 12.1 & 12.2	222,935	(49,977)
- Issue of debentures and other marketable securities		230,009	50,201
- Issue of bank borrowings		121,000	629,637
- Repayment and amortisation of debentures and other marketable securities		--	(133,000)
- Repayment and amortisation of bank borrowings		(128,074)	(596,815)
Payments for dividends and returns on other equity instruments	Note 3	(105,599)	(191,819)
Cash flows from operations with treasury stock	Note 10.5	10,595	8,819
EFFECT OF EXCHANGE RATE FLUCTUATIONS		--	--
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS		(640,593)	708,324
CASH & OTHER CASH EQUIVALENTS AT BEGINNING OF YEAR		708,803	479
CASH & OTHER CASH EQUIVALENTS AT END OF YEAR		68,210	708,803
COMPONENTS OF CASH AND OTHER CASH EQUIVALENTS AT END OF YEAR		68,210	708,803
Cash		68,210	708,803
TOTAL CASH AND OTHER CASH EQUIVALENTS AT END OF YEAR		68,210	708,803

Notes 1 to 19 to the financial statements are an integral part of the statement of cash flows for financial year 2020.

ACCIONA, S.A.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1 Company Activities

Acciona, S.A. is the Parent Company of the Acciona group. It was established under the laws for the time being in force in Barcelona on 16 June 1916, for an indefinite period of time. Its registered office, tax office and main offices where it develops its activities are located at Avenida de Europa 18 in Alcobendas (Madrid). The Company is registered under the Spanish Classification for Business Activities (CNAE) with code number 6420. Acciona S.A. has shares listed on the Madrid and Barcelona stock exchanges.

The Company is the parent of a Group of companies that operate in different economic activity sectors, including most notably:

- Energy includes the electric business, encompassing the promotion, construction, operation and maintenance of renewable generation facilities and the sale of the energy produced. All the electricity generated by Acciona Energía is renewable.
- Infrastructure, which includes:
 - Construction: including infrastructure construction activities, as well as turn-key projects (EPC) for power generation plants and other facilities.
 - Concessions: including the exploitation of mainly transport and hospital concessions.
 - Water: including the activities relating to the construction of desalination plants, water and wastewater treatment plants, as well as the management of the entire water cycle, an activity that covers from the initial water collection to its treatment, including desalination, to its purification and return to the environment after use. It also operates concessions for services related to the entire water cycle.
 - Services: includes urban mobility activities such as rental of all types of vehicles, analysis, design and implementation of energy efficiency projects and renewable energy improvement projects in all types of energy-consuming facilities, as well as facility services activities, airport handling, waste collection and treatment and logistics services, among others.
- Other activities includes: fund management and brokerage services, real estate business, wineries and other businesses.

The Company may develop any and all activities to carry out and additional to the businesses above and hold interests in other companies by way of investments.

The Company is the parent of a Group of subsidiaries and, in accordance with the regulations for the time being in force, it is under an obligation to prepare separate consolidated statements under the International Financial Reporting Standards adopted by

the European Union (IFRS-UE), which show the following consolidated key figures, in thousand euros:

Concept	2020	2019
Total assets	18,267,962	17,349,187
Equity	3,769,825	3,640,689
Revenue	6,472,430	7,190,589
Consolidated profit/(loss) attributable to the Parent Company	380,302	351,678

The individual and consolidated annual financial statements for 2020 were prepared by the Directors, at a meeting of the Board of Directors held on 18 February 2021.

The individual and consolidated annual financial statements for 2019 were approved by the General Shareholders' Meeting of Acciona, S.A. held on 28 May 2020 and filed for deposit at the Madrid Companies Register.

2 Bases of presentation of annual financial statements

2.1 Financial reporting standards framework applicable to the Company

These annual financial statements were prepared by the Board of Directors in accordance with the financial reporting standards framework applicable to the Company, which is as established in:

- a) The Code of Commerce and any other mercantile legislation.
- b) General Accounting Plan as approved by Royal Decree 1514/2007.
- c) The mandatory standards approved by Instituto de Contabilidad y Auditoría de Cuentas (Spanish Accounting and Accounts Audit Institute) within the development of the General Accounting Plan and its supplementary regulations.
- d) Any other Spanish accounting regulations as applicable.

2.2 True and fair view

The annual financial statements for 2020 stated in thousand euros, the functional currency of the Company, were obtained from the accounting records of the Company and they are presented in accordance with the financial reporting standards framework applicable to the Company and specifically with the principles and criteria contained therein so as to show a true and fair view of the equity, financial position and results of the Company, and of cash flows as occurred in the year. These annual financial statements, as prepared by the Directors of the Company, will be submitted to the General Shareholders' Meeting, for approval; and it is believed that they will be approved as they stand.

The annual financial statements for 2020 as prepared include the joint ventures (see Note 4.13 and Note 8.2.3) where the Company participates, by applying the proportional consolidation method, that is, through inclusion of the Company's participation share in the joint ventures, in terms of profit/(loss) and balance results, with balances for assets

and liabilities being duly eliminated, as well as operations carried out between the Company and the joint ventures in the year.

2.3 Non-mandatory accounting principles applied

Only mandatory accounting principles in force at the date of preparation of these annual financial statements were applied. Additionally, the Directors prepared these annual financial statements taking into account all the accounting principles and standards as are mandatorily applicable and with a significant impact on said annual financial statements. All mandatory accounting principles were applied.

2.4 Key issues in relation to the measurement and estimation of uncertainty

For the preparation of these annual financial statements, estimates were made by the Directors of the Company to measure some of the assets, liabilities, income, expenses and obligations appearing recorded therein. Basically, these estimates refer to:

- Assessment of possible losses due to impairment of certain assets, in particular for investments in Group companies and associates showing signs of impairment. (See Note 4.3 and 4.5.1)
- The fair value of certain financial instruments. (See Note 4.5)
- The calculation of provisions and the evaluation of possible contingencies for legal and tax risks. (See Note 4.9)
- Tax results and the recoverability of deferred tax assets to be declared to the tax authorities in future, which served to record the different amounts related to corporate tax on these annual financial statements. (See Note 4.7)

The COVID-19 pandemic is testing governments, institutions, businesses, and society as a whole. Efforts to control the health emergency are having a significant economic impact. Governments and administrations around the world are struggling to find a suitable balance of power between containing the virus and maintaining economic activity. The vast majority of governments have adopted a series of measures that seek to curb the expansion of the disease and end the health crisis, which includes widespread confinement of entire populations, limitations on people's mobility, social distancing, etc. In Spain, these measures reached their highest form when a national state of alarm was declared for the second time during times of a democracy, through Royal Decree 463/2020 of 14 March 2020 declaring the state of alarm in Spain to manage the health crisis situation caused by COVID-19, which was in force through successive extensions until 21 June 2020. The State of Alarm was declared again on 25 October 2020 by Royal Decree 926/2020 with an initial duration of 15 days and extended for an additional 6 months until 9 May 2021, as a necessary instrument to provide legal coverage for the measures adopted by the Autonomous Communities to tackle the health emergency.

However, these measures which have proven very efficient in curtailing the spread of the virus, have a direct impact on economic activity, affecting virtually all business sectors and particularly those in the service sector.

Moreover, COVID-19 is a global phenomenon that is reaching all corners of the world, although some regions have felt different effects compared to others, both in terms of time,

and in terms of its effects on the population and the economy. Spain and its European partners are implementing all kinds of measures to circumvent the successive waves of infections (Spain is currently beginning to emerge from the third wave). Infection rates in the United States and Brazil continue to soar. The impact of Coronavirus is smaller in other countries however, such as Australia.

The world's leading pharmaceutical companies engaged in a race against time to develop a vaccine. At the end of 2020, state health authorities approved its use and mass vaccination campaigns began. Authorities in major countries expect these campaigns to immunise the population to a level that will restore normal socio-economic conditions in 2021. It is difficult to estimate the evolution of the pandemic and its impact on society and the economy over the next year. It will undoubtedly be determined by the effectiveness and degree of immunisation achieved by ongoing vaccination campaigns.

As the Company's activity is that of a *holding* company, it has not undergone significant variations, apart from the increase in costs to manage the pandemic (supplies of masks, tests, medical service, etc.), offset by the suspension or delay in the execution of certain corporate projects. On the other hand, in order to maintain suitable liquidity to ensure the correct development of the activities of the Group of which the Company is the parent, the Board of Directors decided to reduce the proposed dividend distribution contained in the 2019 Annual Financial Statements (see Note 3).

Although these estimates were made on the basis of the best information available at the close of 2020, it may so happen that future events will make it necessary to change them (upwards or downwards) in the next few years. If so, it would be done prospectively.

2.5 Comparison of information

The information contained in these notes referred to financial year 2020 is disclosed, for comparative purposes, with the information on financial year 2019.

2.6 Grouping of items

Certain items on the Balance Sheet, the income statement, the statement of changes in equity or the statement of cash flows were grouped together to facilitate their understanding but, to the extent that it was significant, separate information was included in these Notes.

2.7 Changes in accounting criteria and correction of errors

In 2020 no significant changes took place in accounting criteria in respect of those applied in 2019.

When these annual financial statements for 2020 were prepared, no material error was found that led to a restatement of the amounts included in the financial statements for financial year 2019.

2.8 Functional currency and reporting currency

The annual financial statements are presented in thousands of euros, rounded to the nearest thousand, which is the Company's functional and reporting currency.

3 Allocation of results

The proposed allocation of the results of financial year 2020 that the Board of Directors will submit to the General Shareholders' Meeting for approval is the following (in euros). This application is displayed against the application of the 2019 result approved by the General Shareholders' Meeting on 28 May 2020:

	2020	2019
Distribution base:		
Acciona, S.A. profit or loss	260,158,548.23	260,043,573.01
Application:		
To legal reserve		--
To statutory reserve	26,015,854.82	26,004,357.30
To capitalisation reserves	7,935,804.75	3,049,012.99
To voluntary reserves	12,265,941.96	125,391,145.69
Dividends	213,940,946.70	105,599,057.03
Total	260,158,548.23	260,043,573.01

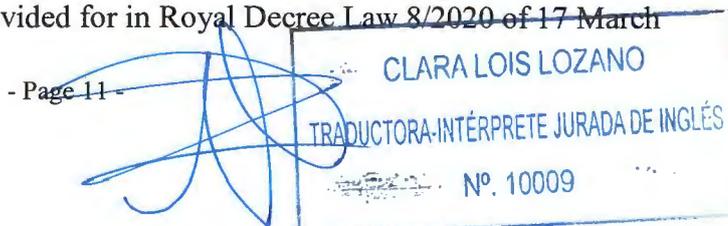
The proposed allocation of the 2020 result contemplates the distribution of dividends of 3.90 euros per share.

The company may distribute dividends once the losses from previous years have been covered, 10% of the profit has been allocated to the legal reserve (up to 20% of the share capital) and any obligations specified in the Company's articles of association have been covered.

Under the Articles of Association, the Company is under an obligation to allocate, any time, 10% of net profit to the legal and statutory reserve, in such a manner that when the former is covered (20% of the share capital), the remaining amount resulting from such 10% must be allocated to the statutory reserve. This reserve is unrestricted.

The Board of Directors proposes that the capitalisation reserve established in Article 25 of Law 27/2014 of 27 November on Corporate Income Tax be charged to profit of the year, for an amount of 7,935,804.75 euros, equivalent to 10% of the amount of the increase in equity relating to the companies forming part of the tax group of which Acciona, S.A. is the Parent Company. The foregoing provision entitles the Company to reduce its corporate income tax base by the same amount, up to a limit of 10% of the taxable income for the tax group for the year. If this limit is exceeded, the excess can be carried forward to the following two tax periods. In order to maintain the aforementioned tax benefit, this reserve must remain unavailable for a period of five years from the time the corresponding contributions are made.

The Board of Directors of the Company, at its meeting held on 24 April 2020, and in accordance with the authorisation provided for in Royal Decree Law 8/2020 of 17 March



on extraordinary urgent measures to address the economic and social impact of COVID-19, decided to annul the proposed allocation of results for the year ended 31 December 2019, which appears in the Financial Statements prepared by the Board of Directors on 27 February 2020, replacing it with the one shown in the table above.

The Board's decision was taken on the basis of financial prudence that the Company considered appropriate to adopt, after an analysis of the current situation worldwide generated by the COVID-19 pandemic and in particular by the State of Alarm situation established in Spain at that time, as it was advisable to provide the Company with greater liquidity to face the uncertainties posed by the health crisis.

4 Recognition and measurement standards

The recognition and measurement standards applied by the Company to the preparation of its financial statements, following the General Accounting Plan, were the following:

4.1 Intangible assets

As a general rule, intangible assets are recognised initially at acquisition or production cost. Subsequently they are measured at their cost reduced by the relevant accrued amortisation and, if any, by impairment losses as occurred, in conformity with the criterion indicated in Note 4.3. These assets amortise on the basis of their useful life. When their useful life cannot be reliably estimated, they amortise in a period of 10 years.

a) Patents, licenses, trademarks and similar:

This account records the amounts paid for the acquisition of the property or the right to use the different manifestations of them (patents and trademarks), or for the expenses incurred as a result of the registration of the property developed by the company. Industrial property amortises by applying the straight-line method for a five-year period.

b) Computer software:

The Company records in this account the costs incurred in the acquisition and development of computer programs, including the development costs of web pages. Software maintenance costs are recorded on the income statement for the year in which they are incurred. Computer software amortises by applying the straight-line method for a four to six-year period.

c) Intangible assets in progress:

The Company records under this heading all actions aimed at the digital transformation of the company, which will result in greater and better use of technology to benefit the various administrative tasks and productive processes that are carried out within the Group. All actions recorded as such are currently being developed. Once this development process has finished, and the application produced is put into operation, the corresponding amount will be classified under "Computer Software", from which time it will start to be amortised.

4.2 Property, plant and equipment

Property, plant and equipment are initially measured at acquisition cost. They are subsequently measured at cost less accumulated depreciation and any impairment losses, if any, as described in Note 4.3.

Upkeep and maintenance expenses concerning the different property, plant and equipment elements are recognised on the income statement for the year in which they are incurred. However, the costs of improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

The Company depreciates property, plant and equipment following the straight-line method, applying annual depreciation percentages based on the years of useful life estimated for the relevant assets (or the years of useful life left, whichever is the lower), according to the following detail:

	Depreciation percentage
Buildings	2% - 7%
Tools and fixtures & fittings	10% - 15%
Computer hardware	25% - 50%
Other PPE	10% - 20%

4.3 Value impairment of PPE and intangible assets

At the close of every year, the Company carries out an asset analysis to detect the existence of impairment losses that reduce the recoverable value of these assets to an amount lower than their carrying amount. This analysis is systematically performed for all goodwill or intangible assets with indefinite useful lives and for the remaining assets whenever there are objective indications that such losses could exist.

For the purposes of this analysis, known as an “impairment test”, the recoverable amount is determined as the fair value less estimated costs necessary for sale or the value in use, whichever is the higher. On the other hand, the procedures established by Management consist in calculating the value in use of the assets in question on the basis of the current value, discounted at rates representative of the Company’s cost of, of the estimated future cash flows to be obtained for the asset in question.

An impairment test is applied for each asset considered separately where possible or for the set of assets in question that make up the “cash generating unit”.

If a loss must be recognised for impairment of a cash generating unit where goodwill in whole or in part had been assigned, the carrying amount of goodwill corresponding to such unit is first reduced. If impairment exceeds the carrying amount, then, in proportion to their carrying amount, the carrying amount of the other assets in the cash generating unit is reduced to the limit of their fair value less sale costs or their value in use or zero, whichever is the highest.

Where an impairment loss subsequently reverses (which is not allowed specifically in the case of goodwill), the carrying amount of the asset or the cash-generating unit is increased

to the revised estimate of its recoverable amount, but in such a way that the increased carrying amount will not exceed the carrying amount that would have been determined had no impairment loss been recognised in previous years. The reversion of an impairment loss is immediately recognised as income.

As a result of the value impairment test applied, it was not necessary to allocate additional amounts to the impairments reflected on the financial statements for previous years (see Notes 5 and 6).

4.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases. The Company only has operating leases.

Operating lease

Expenses resulting from operating leases are charged to income in the year in which they are incurred.

Any amount received or paid when arranging an operating lease will be treated as early collection or payment to be recognised in results throughout the term of the lease, as the benefits from the leased asset are gradually transferred or received.

4.5 Financial instruments

4.5.1 Financial assets

Classification:

The financial assets usually held by the Company are classified under the following categories:

- a) Loans and receivables: financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Company's business, or financial assets which, not having commercial substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market. This category is comprised practically in its entirety of the assets recorded in "Trade and other accounts receivable" and "Loans and credits to companies" (both basically recorded with Group companies, Joint Ventures and associates).
- b) Held-to-maturity investments: securities representing debt, with a fixed due date and collection of quantifiable amounts, traded on an active market and over which the Company expresses its intention and capacity to hold them until their due date.
- c) Investments in Group companies, Joint Ventures and Associates: Group companies are those on which the Company has direct control, or indirect control through subsidiaries that hold control, as established in article 42 of the Code of

Commerce, or when companies are controlled by any means by one or more individual or body corporate acting jointly, or are managed on a unified bases through agreements or clauses in the Articles of Association.

Control means the power to govern a company's financial and operating policies in order to obtain profit from the company's activities, considering for these purposes the voting rights held by the Company or third parties that are exercisable or convertible at the end of the accounting period.

Associates are considered to be those on which the Company, directly or indirectly through subsidiaries, has significant influence. Significant influence is the power to participate in decisions on a company's financial and operating policies, without there being a control structure or joint control over the same. When evaluating the existence of significant influence, the potential voting rights that may be exercisable or convertible at the end of each accounting period are considered, as well as considering the potential voting rights held by the Company or by another company.

Jointly-controlled entities are those that are jointly managed by the Company or by one or more Group companies, including parent entities or body corporates, and one or more third parties outside the group.

- d) Available-for-sale financial assets: these include debt securities and equity instruments of other companies that are not classified in any of the aforementioned categories.

Initial measurement:

Financial assets are initially recognised at the fair value of the consideration given plus the transaction costs as are directly attributable.

Investments in Group companies, Joint Ventures and Associates are initial recognised at cost, which is equivalent to the fair value of the consideration given, including the transaction costs incurred for investments in associates and jointly-controlled entities.

Subsequent measurement:

- a) Loans and accounts receivable are measured at their amortised cost.
- b) Held-to-maturity investments are measured at their amortised cost.
- c) Investments in the equity of Group companies, joint ventures and associates are measured at their cost, reduced, if appropriate, by the accrued amount of impairment value adjustments. These losses are calculated as the difference between the carrying amount of the investments and their recoverable amount. Recoverable amount is the higher of fair value less costs to sell and the present value of the future cash flows from the investment.



Impairment is calculated as the result of comparing the carrying amount of the investment with its recoverable value, understood as the value in use or the carrying amount less costs to sell, whichever is the higher.

In previous financial years reversals of impairment have been recognised to the extent that there is an increase in the recoverable value, with the limit being the carrying amount that the investment would have if the value impairment had not been recognised.

The loss or reversal of impairment is recognised on the income statement, except in the cases where it should be charged to equity.

- d) Available-for-sale financial assets are measured at their fair value, any changes in said fair value being recognised in Equity, until the asset is disposed of or its value is impaired (steadily or permanently), at which time the cumulative gains or losses previously recognised in Equity are recognised on the income statement. In this respect, it is considered that there is impairment (permanent) if the trading value of the asset has fallen by over 40% for one and a half years and has not recovered, or if the value has dropped over an extended period of time.

Investments in equity instruments the fair value of which cannot be reliably estimated are measured at their cost, less, if applicable, the cumulative amount of impairment value adjustments. In these cases, value adjustment is calculated in the same way as for investments in Group companies, joint ventures and associates and reversion of the adjusted value recognised in previous years is not possible.

A financial asset or group of financial assets is impaired and causes an impairment loss when there is objective evidence of impairment as a result of one or more events that occur after the initial recognition of the asset, and such event or events causing the loss have an impact on the estimated future cash flows from the asset or group of financial assets, which can be reliably estimated.

The Company follows the approach of recording suitable impairment allowances for loans and items receivable and debt instruments when a reduction or delay in the estimated future cash flows occurs, as a result of the debtor's insolvency.

In addition, value impairment occurs with regards to equity instruments when the carrying value of the asset can no longer be recovered as a result of prolonged declines or a significant fall in the fair value of such instruments.

The Company writes off financial assets when they mature or the rights over the related cash flows are transferred and the risks and benefits attached to their ownership have been substantially transferred.

Writing off a financial asset in its entirety implies recognising the results of the difference between the carrying amount and the sum of the consideration received, net of transaction costs, including the assets obtained or liabilities assumed, and any profit or loss deferred in equity is recognised in the income statement.

Otherwise, the Company does not write off financial assets, and recognises financial liabilities in an amount equivalent to the consideration received, in transfers of financial assets where the risks and benefits attached to their ownership are retained.

4.5.2 Financial liabilities

Financial liabilities, including trade and other accounts payable that are not classified as held for sale or as financial liabilities at fair value with changes in the income statement, are initially recognised at their fair value less any directly attributable transaction costs, if applicable.

Debits and accounts payable are initially measured at the fair value of the consideration received, adjusted by any directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

The Company de-recognises financial liabilities when the obligations giving rise to them cease to exist.

4.5.3 Equity instruments

An equity instrument represents a residual investment in the Company's equity after all related liabilities are deducted.

Capital instruments issued by the Company are recognised in equity at the amount received, net of any cost for issue.

Treasury shares acquired by the Company in the year are recognised at the value of the consideration given in exchange, directly at lower value of equity. The results of purchase, sale, issue or retirement of own equity instruments are recognised directly in equity and no result is recognised on the income statement.

At 31 December 2020, Acciona, S.A. held 296,422 treasury shares representing 0.5404% of the share capital at the time. The acquisition cost of these shares amounted to 22,049 thousand euros. The acquisition cost of the treasury shares and the gains or losses on transactions involving them were recognised directly in equity (see Note 10.5).

At 31 December 2019, Acciona, S.A. held 398,641 treasury shares representing 0.7267% of the share capital at the time. The acquisition cost of these shares amounted to 28,633 thousand euros. The acquisition cost of the treasury shares and the gains or losses on transactions involving them were recognised directly in equity (see Note 10.5).

4.6 Foreign currency transactions

The Company's functional currency is the euro. Therefore, transactions in currencies other than the euro are deemed to be "foreign currency transactions" and are recognised by applying the exchange rates prevailing at the date of the transaction.

At the close of the financial year, the cash assets and liabilities denominated in foreign currencies are translated to euros by applying the prevailing exchange rate at the balance sheet date. Any profit or loss as shown is directly recognised in the income statement for the financial year in which they occur.

4.7 Tax on profit

Profit tax expense or income comprises the portion that relates to current tax expense or income and the portion that relates to deferred tax expense or income.

Current tax is the amount that the Company pays as a result of the tax settlements for tax on profit for a given financial year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carry-forwards from previous financial years effectively applied in the current financial year, result in lower current tax.

Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences which are identified as the amounts that are expected to be payable or recoverable and which arise from the differences between the carrying amounts of assets and liabilities and their fiscal value, and the negative tax bases pending carry-forward and credits for tax deductions that have not been fiscally applied. These amounts are recorded by applying the tax rate at which they are expected to be recovered or settled, to the temporary difference or credit in question.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss).

Deferred tax assets, however, are only recognised to the extent that it is considered likely that the Company will have future tax gains against which the deferred tax assets can be applied, and this shall be understood as being in a period of no more than 10 years, unless evidenced otherwise.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted and once the tax consequences that will result from the way in which the Company expects to recover the assets or settle the liabilities have been considered.

The Company only offsets tax assets and liabilities against profit where it has a legally enforceable right, where these relate to taxes levied by the tax authority and the company intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are recognised on the balance sheet under non-current assets or liabilities, irrespective of the date of realisation or settlement.

Deferred tax assets and liabilities arising from operations directly charged against or credited in equity accounts are also entered in the accounts with a balancing entry in equity.

At the close of every accounting period, recognised deferred tax assets are reassessed and the appropriate adjustments are applied thereto to the extent that there are doubts as to their future recoverability. Similarly, deferred tax assets not recognised on the balance sheet are reassessed at the end of each accounting period and are recognised to the extent that they are likely to be recovered through future tax gains.

Acciona, S.A. is allowed to apply the fiscal consolidation system for Corporate Tax, and it is part of the Fiscal Consolidation Group, where it is the Parent Company, under group number 30/96.

4.8 *Income and expenses*

Income and expenses are recognised following the accrual principle, that is, when the actual flow of goods and services represented by income and expenses takes place, regardless of the time when the cash or financial flow arising therefrom occurs. Income is measured at the fair value of the consideration received, with any discounts and taxes being deducted.

Ordinary income from the provision of services is recognised by taking into account the degree of completion of the provision at the balance sheet date, provided that the outcome of the transaction may be reliably estimated.

Interest received from financial assets is recognised by applying the effective interest rate method and dividends are recognised when the shareholder's right to receive them has been declared. In any event, interest and dividends from financial assets as accrued after the time of acquisition are recognised as income on the income statement. If the distributed dividends are unequivocally from earnings generated before the acquisition date as amounts above the profits made by the subsidiary company since acquisition have been distributed, then they reduce the investment carrying amount.

4.9 *Provisions and contingencies*

When preparing the annual financial statements, the Directors of the Company distinguish between:

- a) Provisions: Balances payable covering present obligations arising from past events, the cancellation of which is likely to give rise to an outflow of resources, but which are undetermined as regards the cancellation amount and/or timing.
- b) Contingent Liabilities: Possible obligations that arise from past events, the future materialisation of which is conditioned by the occurrence or non-occurrence of one or more future events beyond the Company's control.

The annual financial statements contain all the provisions for which it is estimated that the probability of having to satisfy the obligation is higher than otherwise. Contingent

liabilities are not recognised on the balance sheet but information is provided about them in the Notes, to the extent that they are not considered remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis.

4.10 *Compensation for dismissal*

According to the current employment legislation, companies are under an obligation to compensate employees when, under certain circumstances, their employment is terminated. Compensation for dismissal that can be reasonably quantified is registered as expense for the year when the decision about dismissal is taken. No provision for compensation for dismissal was recorded in these annual financial statements since such situation was not foreseen.

4.11 *Equity elements of an environmental nature*

Assets used on a lasting basis in the Company's activity, the main purpose of which is to minimise environmental impact and protect and upgrade the environment, including the reduction or elimination of future pollution, are considered assets of an environmental nature.

Given its nature, the Company's activity does not have a significant environmental impact.

4.12 *Share-based payments*

The Company recognises, on the one hand, the goods and services received as an asset or an expense, depending on their nature, at the time of their acquisition and, on the other hand, the appropriate increase in net equity, if the transaction is settled with equity instruments, or the applicable liability if the transaction is settled with an amount based on the value of the equity instruments.

In the case of transactions settled with equity instruments, both the services rendered and the increase in net equity are measured at the fair value of the transferred equity instruments, referring to the date of the granting agreement. If they are settled in cash, the goods and services received and the related liability are recognised at the fair value of the latter, referred to the date on which the requirements for recognition are met.

4.13 *Joint arrangements*

The Company books its investments in Joint Ventures (JVs) recognising on the balance sheet proportionally, based on its share percentage, the portion of the assets jointly controlled and of the liabilities jointly incurred. In addition, the portion of income generated and expenses incurred by the joint business and related to the Company, and the expenses incurred in relation to its holding in the joint venture, are proportionally recorded on the income statement. Similarly, the share that relates to the Company in the

amounts for items in the joint business is recorded on the statement of changes in equity and on the statement of cash flows.

Joint arrangements are considered as those in which there is a contractual agreement or clauses in the articles of association to share control over an economic activity, in such a way that strategic decisions related to the activity, both financial and operational, require the unanimous consent of the Company and remaining parties.

Transactions, balances, income, expenses and reciprocal cash flows have been removed proportionally based on the share percentage held by the Company in the joint arrangement.

4.14 *Related-party transactions*

The Company carries out all its transactions with related parties on an arm's length basis. Additionally, the prices of operations with related parties are adequately supported, so the Directors of the Company consider that there is no risk that might lead to significant liabilities in future.

Transactions between group companies, except for those related to mergers, spin-offs and non-cash contributions to businesses are recognised at the fair value of the consideration given or received. The difference between this value and the agreed amount is recorded in accordance with the underlying economic circumstances.

4.15 *Current and non-current items*

Current assets are those associated with the Company's ordinary course of operations, which is usually considered to be one year, and also other assets for which the due date, disposal or realisation is expected to occur in the short term as from or after the close of the financial year, and cash and other cash equivalents. Any other assets are classified as non-current.

In the same way, current liabilities are those associated with the Company's ordinary course of operations and in general all liabilities for which the due date or cancellation will take place in the short term. Otherwise, liabilities are classified as non-current.

4.16 *Cash and other cash equivalents*

Cash and other cash equivalents include cash on hand and bank deposits on demand. Other investments in short-term highly liquid investments are also included under this concept provided they are easily convertible to given amounts of cash and that they are subject to an insignificant risk of changes in value. Investments with maturities of less than three months from the acquisition date are also included under this heading.

4.17 *Defined contributions*

The Company records the contributions to be made to defined contribution plans as employees render their services. The amount of the accrued contributions is recorded as an employee benefit expense and as a liability once any amounts already paid have been

deducted. When the amounts paid exceed the accrued expense, only the corresponding assets are recognised to the extent to which such assets can be applied to the reductions of future payments or give rise to a cash refund.

If the contributions are to be paid in a period exceeding twelve months, these are discounted by a rate determined by reference to market yields on high quality corporate bonds.

5. Intangible assets

The movement in the intangible assets heading of the balance sheet in financial years 2020 and 2019 was the following (in thousand euros):

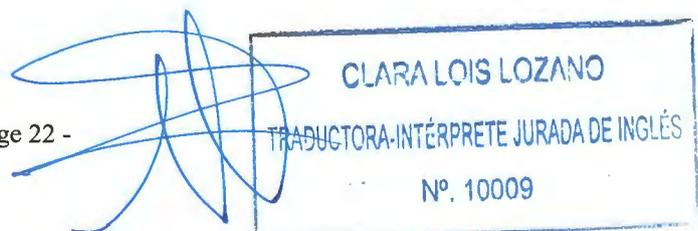
	COST				ACCRUED AMORTISATION		
	Patents	Computer Software	Intangible assets in progress	Total cost	Patents	Computer Software	Total amortisation
Balance at 31/12/2018	535	2,566	5,061	8,162	(535)	(2,566)	(3,101)
Additions or allocations	--	267	8,725	8,992	--	(44)	(44)
Balance at 31/12/2019	535	2,833	13,786	17,154	(535)	(2,610)	(3,145)
Additions or allocations	--	2,700	67	2,767	--	(451)	(451)
Balance at 31/12/2020	535	5,533	13,853	19,921	(535)	(3,061)	(3,596)

Total intangible assets	Cost	Amortisation	Net total
Balance at 31/12/2019	17,154	(3,145)	14,009
Balance at 31/12/2020	19,921	(3,596)	16,325

As indicated in Note 4.1, the additions to intangible assets at 31 December 2020 and 2019 mainly correspond to the software developed within the Company’s digital transformation process which were initially recorded as an expense due to their nature, and later activated in the income statement under the heading “work carried out by the Company for its assets”.

At the close of 2020 and 2019, the Company had fully amortised intangible asset elements still in use, according to the following detail (in thousand euros):

Description	Carrying amount (gross)	Carrying amount (gross)
	2020	2019
Software	2,566	2,566
Patents	535	535
Total	3,101	3,101



6. Property, plant and equipment

The movement in the caption on the balance sheet in financial years 2020 and 2019, and the main information affecting this caption was the following (in thousand euros):

	COST					ACCRUED AMORTISATION			
	Land and buildings	Other plant/fix. & fittings	Other assets	Plant under assembly	Total cost	Land and buildings	Other plant/fix. & fittings	Other assets	Total amortisation
Balance at 31/12/2018	7,718	6,462	2,798	--	16,978	(414)	(6,038)	(2,043)	(8,495)
Additions or allocations	428	57	9	699	1,193	(482)	(271)	(18)	(771)
Removals	--	--	--	--	--	--	--	--	--
Balance at 31/12/2019	8,146	6,519	2,807	699	18,171	(896)	(6,309)	(2,061)	(9,266)
Additions or allocations	--	--	1,305	134	1,439	(486)	(77)	(170)	(733)
Removals	--	--	--	--	--	--	--	--	--
Balance at 31/12/2020	8,146	6,519	4,112	833	19,610	(1,382)	(6,386)	(2,231)	(9,999)

Total PPE	Cost	Amortisations	Net total
Balance at 31/12/2019	18,171	(9,266)	8,905
Balance at 31/12/2020	19,610	(9,999)	9,611

The Company has real property which separate value, by land and buildings, at the close of 2020 and 2019, was as follows (in thousand euros):

Description	Carrying amount (gross) 31/12/2020	Carrying amount (gross) 31/12/2019
Land	4,466	4,466
Buildings	3,680	3,680
Total	8,146	8,146

The increases in property, plant and equipment recorded in 2020 under "Other PPE" relate mainly to equipment for technological architecture transformation projects.

The additions to property, plant and equipment register "Land and Buildings" at 31 December 2019 mainly corresponded to remodelling and adaptation works for offices spaces occupied by the Company in its own buildings or those under lease, which are included in the income statement under the caption "Work carried out by the Company on its own assets".

At the close of 2020 and 2019, the Company had fully amortised/depreciated property, plant and equipment elements still in use, according to the following detail (in thousand euros):

Description	Carrying amount (gross) 31/12/2020	Carrying amount (gross) 31/12/2019
Fixtures and fittings	6,178	5,356
Other PPE	2,043	1,898
Total	8,221	7,254

There were no firm commitments to buy PPE at the close of 2020. And there were no firm commitments to sell PPE at 31 December 2020. At the date when these annual financial statements were prepared there were no special circumstances that affected the availability of PPE goods, such as litigation, embargo, fixed-term leasing or otherwise.

The Company's policy is to take out insurance policies to cover the possible risks to which the various PPE elements are exposed. The Directors consider that the covers in place at the close of financial years 2020 and 2019 were adequate in relation to the risks covered.

7. Leases

At the close of 2020 and 2019, the Company had operating leases with the following regular payments under contract with the lessors, for the set of future years covered by the contracts currently in force (in thousand euros):

Operating leases Minimum regular payments	Nominal value 2020	Nominal value 2019
Less than one year	122	282
Between one and five years	2	124
Over five years	--	--
Total	124	406

The above amounts do not include contingent payments such as a charge for common expenses, future increases based on the CPI, or future updates on rents agreed on contract.

The Company's leases do not have contingent charges and the annual rent is updated according to the CPI, if applicable.

As lessee, the most significant operating lease contracts held by the Company at 2020 and 2019 year-end are those relating to rental vehicles.

8. Financial Assets

The following table shows the financial assets classified by class and category (in thousands of euros) at the end of 2020 and 2019:

	2020		2019	
	Non-current	Current	Non-current	Current
Held-to-Maturity Investments				
Credits and others	6,371	--	340	--
Total	6,371	--	340	--
Loans and receivables				
Credits	4,210	--	4,335	--
Deposits and guarantees	72	--	74	--
Trade and other accounts receivable	--	56,764	--	53,268
Trade receivables for sales and services	--	41,293	--	41,949
Other accounts receivable	--	15,471	--	11,319
Total	4,282	56,764	4,409	53,268
Total Financial Assets	10,653	56,764	4,749	53,268

8.1 Long-term financial investments

The movement in the caption on the balance sheet in financial years 2020 and 2019, and the main information affecting this caption was the following (in thousand euros):

	Equity Instruments			Other non-current financial assets	Total
	Cost	Value impairment	Net carrying amount		
Balance at 31/12/2018	1,058	(1,058)	--	5,487	5,487
Additions	--	--	--	10	10
Removals	--	--	--	(748)	(748)
Balance at 31/12/2019	1,058	(1,058)	--	4,749	4,749
Additions	5,993	--	5,993	45	6,038
Removals	--	--	--	(134)	(134)
Balance at 31/12/2020	7,051	(1,058)	5,993	4,660	10,653

In 2020, in relation to the settlement of the Long-Term Incentive Plan for the Company's executive directors (see Note 16.3), whereby 81.48% of the shares of the investee Grupo Bodegas Palacio 1894 S.A. were delivered to them, the remaining undelivered shares (i.e. 18.52%) were recognised under this heading, based on the amount resulting from the valuation performed to carry out the aforementioned transaction.

There are no significant differences between the carrying amount and the fair value of financial assets.

The remaining items included in "Other long-term financial assets" correspond to guarantees and deposits and to other long-term time period adjustments.

8.2 Group companies, Joint Ventures and Associates

8.2.1 Long-term investments in Group companies, Joint Ventures and Associates

The movement in this caption on the balance sheet for 2020 and 2019 was the following (in thousand euros):

	Balance at 31/12/2018	Additions or allocations	Removals	Balance at 31/12/2019	Additions or allocations	Removals	Balance at 31/12/2020
Investments in Group companies and associates	7,379,833	107,391	(502)	7,486,722	16,575	(33,804)	7,469,493
Impairment investments in Group companies and associates	(1,282,800)	--	92,421	(1,190,379)	--	197,773	(992,606)
Total Net Investments	6,097,033	107,391	91,919	6,296,343	16,575	163,969	6,476,887
Credits in Group companies and associates	36,110	1,170	(733)	36,547	18,591	--	55,138
Impairment credits in Group companies and associates	(29,527)	--	--	(29,527)	--	--	(29,527)
Total Net Credits	6,583	1,170	(733)	7,020	18,591	--	25,611
Total Investments and Credits	6,103,616	108,561	91,186	6,303,363	35,166	163,969	6,502,498

There are no significant differences between the carrying amount and the fair value of financial assets.

Investments in Group companies, Joint Ventures and Associates:

In thousand euros

Total investments in Group companies, Joint Ventures and Associates:	Cost	Impairment	Total net
Balance at 31/12/2019	7,486,722	(1,190,379)	6,296,343
Balance at 31/12/2020	7,469,493	(992,606)	6,476,887

Details of investments in Group companies, Joint Ventures and Associates at 31 December 2020 and 2019 are provided in Appendix I.

During 2020, the increases and decreases in "Investments in Group companies and associates" relate to the following movements:

- o Nordex SE:
 - January 2020: the public tender offer launched for this investee was finalised. The offer is accepted for a total of 149,399 shares representing 0.14% of the share capital. The cost of the acquisition, including transaction costs, amounted

to 2,592 thousand euros. The Company's shareholding in Nordex SE after the public tender offer is 36.41%.

- December 2020: subscription and payment of 614,068 shares at 18.90 euros per share in the capital increase carried out by the investee. The acquisition cost of this package amounted to 11,606 thousand euros. The Company's shareholding in Nordex SE after the capital increase is carried out is 33.63%.
- o Grupo Bodegas Palacio 1894 S.A.: contribution of 2,059 thousand euros and 100% of the shareholding is derecognised, amounting to -33,769 thousand euros (see Notes 8.1 and 16.3).
- o Acciona Mobility Global S.L.: acquisition of all the shares of Acciona Service S.L. for 319 thousand euros.
- o CICSA Infraestructuras y Obras S.L.: revaluation of investment as the company is transferred to Spain (conversion from USD to EUR) amounting to -35 thousand euros.

In 2019, the increases in "Investments in Group Companies" related to the capital increase carried out at Acciona Tecnología y Servicios, S.L. amounting to 1.7 million euros and to the acquisition of shares in another Group company of Acciona Producciones y Diseño S.A. for 6.7 million euros. The shareholding in both companies is of 100%. In addition to the above, on 8 October 2019 the Company accepted the proposal made by its investee Nordex SE to subscribe the entire 10% capital increase at a price of €10.21 euros per share, representing a disbursement of 99 million euros. After the subscription, the shareholding rose from 29.9% to 36.27%. When the regulatory limit of 30% was exceeded, the Group was obliged to launch a public tender offer to all Nordex SE shareholders. The public tender offer was made at a price of €10.34 per share, calculated as the average price per share based on the market price of Nordex SE in the three months prior to launching the offer, as indicated by the German market regulator BaFin. The acceptance period for the public tender offer (initial period plus additional period) ended on 8 January 2020 and a total of 149,399 shares were accepted, representing 0.14% of the shareholding (see note 9).

Portfolio provisions

At the end of 2020, the Corporación Acciona Energías Renovables S.L. forecasts were revised, updating the impairment test of its activity based on the new forecasts, giving a value in use of 2,704 million euros (2,672 million euros in 2019). In view of the results obtained, the Company does not consider it necessary to correct the value of the provision recorded; considering the high sensitivity to the discount rate (WACC), the difference between the value in use and the carrying amount is within a reasonable margin.

The methodology used for calculating the value in use is through discounting the cash flows at a rate (WACC) which considers the risks inherent to the company's business as well as the different markets in which it operates. A cash flow projection that covers the next five years has been calculated for this discount operation along with a terminal value that represents the value of the future cash flow from the sixth year and which has been determined based on a standard cash flow estimate.

The WACC rate after taxes considered amounts to 5.71% and the sales growth used for the standard period, which serves as a basis to calculate the terminal value (“g” parameter), has been estimated at 1.5%, despite the existence of growth prospects in the sector in which this investee operates that support greater growth, among other reasons, due to the growing need for the replacement of conventional energies. However, given the uncertainty associated with projections for such long periods, it has been considered that 1.5% is a reasonable growth rate.

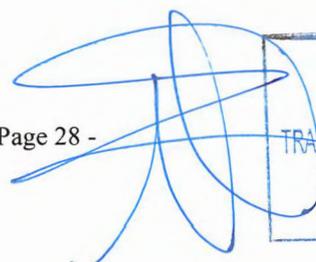
Similarly, a sensitivity analysis has been carried out on the main assumptions used. Thus, a variation of +/- 50 base points in the WACC would produce an additional impact on the calculated value in use of -1,070 and +1,371 million euros, and a variation of +/- 50 base points in the sales growth rate in the standard period (“g”) would result in an additional impact on the calculated value in use of +1,245 and -981 million euros.

In relation to Nordex SE, a company whose shares are listed on the Frankfurt Stock Exchange and in other German cities, the impairment test places the value in use of the holding at 1,022 million euros, which is well above the carrying amount of the investment. The market price, according to the share price, which at year-end stood at 22.16 euros, seems to be in line with the value in use estimates made by the Company, which has improved medium-term forecasts in terms of turbine sales and operation and maintenance services, recognising the potential for growth and margin improvement in the renewable energy sector worldwide. This is supported by a real explosion of both public and private interest in the renewable energy sector in the last months of 2020, becoming the driving force behind economic recovery and leading the social transformation of the post-COVID era in an unprecedented shift towards green energy.

This interest has taken the form of measures such as those promoted by the European Commission within the "European Green Deal". The European Council held on 10 and 11 December 2020 endorsed the ambitious strategic targets for reducing CO₂ emissions, increasing the target reduction from 40% to 55% by 2030. This will be a huge boost for the growth of renewable energies in Europe, as well as an increase in the target quota for the use of renewable energies in the same period. The European Commission has estimated an annual investment of 260,000 million euros to meet the aspirations of the Green Deal, which will depend largely on the ability to transform the energy sector, and therefore on the capacity of wind power installation growth.

Therefore, in view of the results obtained in this impairment test and having overcome the reluctance expressed at the end of 2019, where the value in use was also higher than the investment, the Company has decided to fully reverse the provision for this investment, which amounted to 198 million euros.

The methodology used for calculating the value in use is through discounting the cash flows at a rate (WACC) which considers the risks inherent to the company’s business as well as the different markets in which it operates. A cash flow projection that covers a period of five years (2021-2025) has been calculated for this discount operation along with a terminal value that represents the value of the future cash flow from the sixth year and which has been determined based on a standard cash flow estimate.



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With regard to the growth of sales used for the standard period, which serves as a basis to calculate the terminal value (“g” parameter), a 1.5% growth has been estimated, despite the existence of growth prospects in the sector in which Nordex operates that support greater growth, among other reasons, due to the growing need for the replacement of conventional energies. However, given the uncertainty associated with projections for such large periods, it has been considered that 1.5% is a reasonable growth rate.

For the discounted cash flows, an after-tax WACC rate of 7.2% has been considered.

Likewise, in order to strengthen the consistency and reasonableness of the test, a sensitivity analyses have been performed on changes reasonably expected to occur in the main hypotheses. Thus, a variation of +/- 50 basis points in the WACC would produce an additional impact on the impairment amount of -91 and +109 million euros, and a variation of +/- 50 basis points in the sales growth rate in the standard period (“g”) would result in an additional impact on the impairment amount of +88 and -74 million euros, which does not affect the impairment recorded to date.

Lastly, in relation to the shareholding in Acciona Inmobiliaria S.L., at 31 December 2020 the Company updated its impairment analysis, taking into account the valuations made by independent experts, and concluded that it was not necessary to recognise additional reversals or impairment losses on this shareholding other than those recognised in prior years.

At the end of financial year 2019, the Corporacion Acciona Energías Renovables portfolio provisions were reversed for the value of 92 million euros. This reversal was due to the improved outlook of macroeconomic variables in the countries where the company operates, as well as the containment of operating expenses.

In relation to the shareholding in Nordex SE at 31 December 2019, the impairment test placed the value in use at 695 million euros, above the carrying amount of the investment, although the stock price continued to be at levels below the carrying amount, and the sector had not yet completed its readjustment process caused by the transformation of compensation schemes applicable to renewable energy generation businesses which some key markets have experienced. Therefore, the Company considered it prudent to continue its policy of continuously monitoring its Nordex, SE investment with the hope that the signs be consolidated in order for the impairment recorded in 2017 to be reversed. At 31 December 2019, the Company considered that such circumstances had not occurred, and therefore it maintained the impairment applied.

The methodology used for calculating the value in use is through discounting the cash flows at a rate (WACC) which considers the risks inherent to the company’s business as well as the different markets in which it operates. A cash flow projection that covers a period of five years (2019-2023) was used for this discount operation along with a terminal value that represented the value of the future cash flow from the sixth year and which was determined based on a standard cash flow estimate.

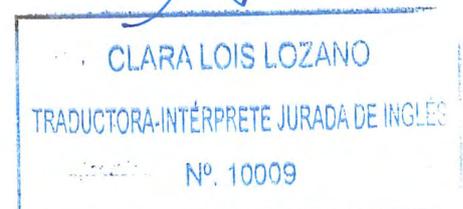
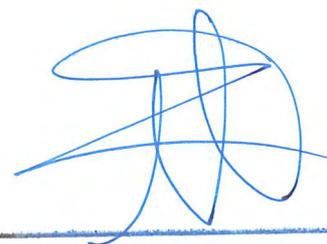
With regards to the shareholding in Acciona Inmobiliaria S.L., at 31 December 2019 the Company updated the valuations made by independent experts and concluded that it was not necessary to recognise additional impairment losses on this shareholding.

a) Long-term credits to Group companies, Joint Ventures and Associates

Long-term credits to Group companies, Joint Ventures and Associates reflect mainly the following subordinate or participative credits granted to investees, all of them granted at market interest rates:

- Loan to Nordex SE: a loan of 17.2 million euros drawn down in 2020. This provision is included in a loan signed with this company for a total amount of 232 million euros, which the investee is expected to draw down in full in 2021. This loan is convertible into shares under certain assumptions, matures in 2025, and has a fixed remuneration of 10% per annum.
- Participative loan to Sociedad Concesionaria Puente del Ebro, S.A. for an amount of 3 million euros, with due date on 30 December 2033. The company is in liquidation and the loan is fully provisioned.
- Subordinate loan to Infraestructuras y Radiales S.A for an amount of 26.5 million euros and due date in October 2021. This company is in liquidation and the loan is fully provisioned.
- Subordinate loan granted to the Mexican company Hospital de León Bajío, S.A. de CV, for 205 million Mexican pesos (8.4 million euros), including accrued and unpaid interest, and as part of the financing operation given to this company for the construction and operation of the hospital of the same name. This loan has a single and final maturity on 10 October 2027 and accrues based on the TIEE rate plus a market margin. In the 2020 financial year, this loan was increased by 37.5 million Mexican pesos to the above-mentioned amount (equivalent to 1.4 million euros).

Finance income at 2020 year-end from the loans included under this heading amounted to 1,079 thousand euros (423 thousand euros in 2019) and no further impairment was recognised.



8.2.2 Short-term credits to Group companies, Joint Ventures and Associates, and other short-term financial assets

The movement in this caption on the balance sheet for 2020 and 2019 was the following (in thousand euros):

	Credits to Group companies and Associates	Provision for Impairment	Others Financial Assets	Total
Balance at 31/12/2018	2,947	--	216,457	219,404
Additions	374	--	255,644	256,018
Removals	--	--	(170,548)	(170,548)
Balance at 31/12/2019	3,321	--	301,553	304,874
Additions	2,555	--	139,000	141,555
Removals	--	--	(271,609)	(271,609)
Balance at 31/12/2020	5,876	--	168,944	174,820

There are no significant differences between the carrying amount and the recoverable value of the short-term credits to Group companies, Joint Ventures and associates and other financial assets.

Finance income from credits to group companies included under this heading amounted to 35 thousand euros at 2020 year-end (39 thousand euros in 2019).

During 2020 the main movements recorded under the heading "Credits to Group Companies and Associates" correspond to accrued and unpaid interest on loans, mainly those generated by the loan granted to Nordex SE amounting to 702 thousand euros (see Note 8.2.1) and the movements of the current account amounting to 1,568 thousand euros that the Company has with Bestinver Sociedad de Valores S.A. in relation to the liquidity contract entered into between the two companies (see Note 10.5).

During 2020 the main movements recorded under "Other Financial Assets" correspond to:

- Dividends receivable, as follows:

Breakdown of Dividends	
Corporación Acciona Energías Renovables S.L.	100,000
Acciona Inmobiliaria S.L.	9,000
Corporación Acciona Infraestructuras S.L.	30,000
Total Dividends Receivable	139,000

- Dividends accrued in 2019 and collected in 2020:

Breakdown of Dividends	
Acciona Financiación Filiales S.A.	100,000
Corporación Acciona Energías Renovables S.L.	75,000
Acciona Inmobiliaria S.L.	45,000
Corporación Acciona Infraestructuras S.L.	10,000
Acciona Producciones y Diseño S.A.	500
Grupo Bodegas Palacios 1894 S.A.	100
Total Dividends Receivable	230,600

- A reduction in the current account receivable for corporate income tax amounting to 41,009 thousand euros. The balance of this account at 31 December 2020 amounted to 29,943 thousand euros.

8.2.3 Joint ventures

At 31 December 2020 and 2019, the Company had the following percentage shares in Joint Ventures (JVs):

Name of the Joint Venture	Activity	% Shares	Location
Ineuropa Handling, U.T.E.	Airport services	80%	Sta.Cruz de Tenerife
Ineuropa Handling Alicante, U.T.E.	Airport services	80%	Madrid
Ineuropa Handling Madrid, U.T.E.	Airport services	80%	Madrid
Ineuropa Handling Mallorca, U.T.E.	Airport services	80%	Madrid
Pasarela Barajas, U.T.E.	Airport services	10%	Madrid

The Handling JVs are undergoing a liquidation process, after in financial year 2006 the licences to operate in the airports of Madrid, Alicante and Tenerife were not renewed and in financial year 2007 the activity of the other JVs whose concessions were held (Mallorca, Menorca, and Ibiza) was transferred to the Acciona Group company Airport Services,

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S.A., 100% owned by Acciona, S.A. No materially adverse effect on the Company is expected from the liquidation process.

The table below shows, in thousand euros, the attributable balances corresponding to the JVs included in the financial statements of Acciona, S.A., at 31 December 2020 and 2019. All the Handling JVs are grouped together as their balances are not very significant as a result of the liquidation process indicated in the paragraph above.

2020

ASSETS	Amount	LIABILITIES	Amount
TOTAL NON-CURRENT ASSETS	74	Shareholders' Equity	12
		TOTAL EQUITY	12
Cash and cash equivalents	879	Trade and other accounts payable	941
TOTAL CURRENT ASSETS	879	TOTAL CURRENT LIABILITIES	941
TOTAL ASSETS	953	TOTAL LIABILITIES	953

2019

ASSETS	Amount	LIABILITIES	Amount
TOTAL NON-CURRENT ASSETS	74	Shareholders' Equity	12
		TOTAL EQUITY	12
Cash and cash equivalents	879	Trade and other accounts payable	941
TOTAL CURRENT ASSETS	879	TOTAL CURRENT LIABILITIES	941
TOTAL ASSETS	953	TOTAL LIABILITIES	953

8.3 Information on the nature and risk level of financial instruments

Liquidity risk:

The Acciona Group manages the liquidity risk with prudence, keeping an adequate level of cash and marketable securities and with the arrangement of credit facilities undertaken for a sufficient amount to support projected needs.

At 31 December 2020, the Company had a negative working capital for the amount of 2,403 million euros (2,254 million euros at 31 December 2019). As indicated in Note 1, the Company is the parent of a Group of companies that operate in different business activity sectors.

Current liabilities include financial debt to group companies amounting to 1,891 million euros (2,854 million euros in 2019) corresponding to loans and interest with group companies controlled by Acciona, S.A. which is the Parent Company, and in particular to Acciona Financiación Filiales S.A. where the Group's financing is centralised (see Note 12.3).

At 31 December 2020, the Group of which Acciona S.A. is the Parent had gross operating profit of 1,124 million euros (1,437 million euros at 31 December 2019) and consolidated profit attributable to Acciona S.A. as the Parent Company of 380 million euros (352

million euros at 31 December 2019) (see Note 1). Additionally, in accordance with what is indicated in Note 17 to the consolidated financial statements of the Acciona Group, at 31 December 2020 the Group companies had cash and bank deposits for 2,407 million euros and also unused additional financing for 2,925 million euros (see Note 20 in the consolidated financial statements). This amount includes the liquidity lines signed in the context of the COVID-19 pandemic which were arranged for a total of 854 million euros.

Taking all these facts into consideration, the Directors of the Company consider that the liquidity risk is sufficiently mitigated.

Ultimate responsibility for liquidity risk management lies with the General Economic and Financial Department, which prepares the appropriate framework to control the Group's liquidity requirements in the short, medium, and long term. The Group manages liquidity risk by maintaining adequate reserves, appropriate banking services, having available loans and credit facilities, monitoring projected and actual cash flows on an on-going basis, and pairing them against financial asset and liability maturity profiles.

Interest rate risk

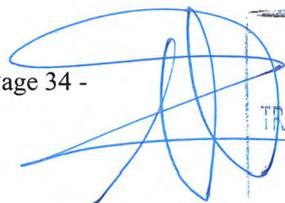
Bank borrowings engaged by the Company means that the Company is exposed to fluctuations in interest rates and this impact can be reduced on certain occasions by engaging derivative financial instruments for hedging. This risk is managed by the Group's Economic and Financial Department, with non-speculative hedge criteria being applied.

In order to be able to analyse the effect that a possible fluctuation in interest rates might have on the Company's accounts, a simulation was performed which assumed a 50-basis point increase and decrease in interest rates at 31 December 2020.

This sensitivity analysis to upward or downward variations of 0.50% in floating reference rates (Euribor) would lead to an increase or decrease in the financial results due to interest expense of 1,220 thousand euros (1,355 thousand euros at 31 December 2019).

Credit risk

Credit risk refers to the probability that exist that the counterparty to a contract does not meet its obligations, giving rise to a financial loss for the Company. The Company has adopted a policy of only negotiating with group companies so this risk is practically remote.



9. Cash & Banks and other cash equivalents

Detail of the accounts in “Cash & Banks and other cash equivalents” at the close of 2020 and 2019 was as follows (in thousand euros):

	31/12/2020	31/12/2019
Cash and banks	68,210	708,803
Total	68,210	708,803

At 31 December 2020, the Company has pledged for an amount of 67,938 thousand euros to a Group company, which matures in the first quarter of 2021.

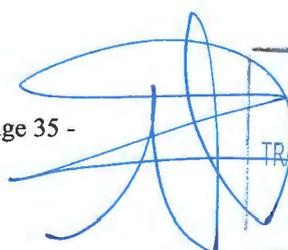
As of 31 December 2019, the Company, in compliance with German legislation on the Securities Acquisition and Public Tender Offers (WpÜG), had an amount of 708 million euros in a restricted disposal account as security for the payment obligations that may arise from the full acceptance of the public tender offer launched for Nordex SE. This amount was unavailable until after the end of the public tender offer acceptance period on 9 January 2020 (see Note 12.3).

10. Equity

Equity	31/12/2020	31/12/2019
Shareholders' Equity	3,811,666	3,646,511
Share capital	54,857	54,857
Issue share premium	170,110	170,110
Legal reserve	11,452	11,452
Statutory reserve	733,464	707,459
Other reserves	2,603,673	2,471,222
Capitalisation reserve	7,716	4,667
Other reserves	2,595,957	2,466,555
Treasury stock	(22,049)	(28,633)
Profit / (loss) for the year	260,159	260,044
Value adjustments	(180)	(120)
TOTAL EQUITY	3,811,486	3,646,391

10.1 Share capital

At 31 December 2020 and 2019, the Company's share capital amounted to 54,857 thousand euros, represented by 54,856,653 shares with a face value of 1 euro each, fully subscribed and paid up. On 28 March 2019, a capital reduction of 2,402,897 euros was carried out against the Company's treasury shares, pursuant to the resolution adopted by the Board of Directors on 28 March 2018 (see note 10.5).



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The table below shows, following the notifications received by the Company, the holders of significant direct and indirect interests in the share capital at 31 December 2020 and 2019:

	31/12/2020	31/12/2019
Tussen de Grachten, BV	29.02%	29.02%
Wit Europese Investerings, BV	26.10%	26.10%
La Verdosa S.L.	--	5.78%
Invesco, LTD	1.04%	--

In December 2020, La Verdosa, S.L. sold 3.85% of the share capital of Acciona, S.A. through a private placement to qualified investors and sold 1.75% of the share capital to the Company's shareholders.

10.2 *Legal reserve*

In accordance with the consolidated text of the Capital Companies Act, an amount equivalent to 10% of the year's profit must be allocated to legal reserve until this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the capital already increased. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At the close of financial years 2020 and 2019, this reserve was fully set up.

10.3 *Issue share premium*

The balance in the "Issue share Premium" account was due to the capital increases carried out with issue share premium on different dates. The consolidated text of the Capital Companies Act expressly permits the use of the share premium account balance to increase capital and does not establish any specific restrictions as to the use of said balance.

10.4 *Statutory Reserve, Capitalisation Reserve and Other Reserves*

The change in these reserves in 2020 is due to the distribution of the 2019 profit, the dividend distributed in July 2020 and the results from treasury share transactions indicated in note 10.5.

The main change in these reserves in 2019 was due to the impact of the capital reduction indicated in Notes 10.1 and 10.5, and to the results of the treasury share transactions indicated in Note 10.5.

Statutory reserve: There is an obligation to transfer 10% of net profit to the statutory reserve, provided that the legal reserve has been covered. This reserve is unrestricted.

Capitalisation Reserve: in order to maintain the tax benefits established in Law 27/2014, of 27 November, on Corporate Income Tax, it must remain unavailable for a period of five years from the moment the corresponding allocations are made (see Note 3).

10.5 Treasury stock

The movement in treasury stock in 2020 and 2019 was the following, in thousand euros:

	Number of shares	Cost
Balance at 31/12/2018	2,902,115	199,616
Additions Liquidity Contract	1,536,056	144,099
Removals Liquidity Contract	(1,545,975)	(144,035)
Liquidity contract movements	(9,919)	64
Capital reduction	(2,402,897)	(164,828)
Other additions	--	--
Remaining retirements	(90,658)	(6,219)
Other movements	(90,658)	(6,219)
Balance at 31/12/2019	398,641	28,633
Additions Liquidity Contract	1,797,781	174,343
Removals Liquidity Contract	(1,811,840)	(174,879)
Liquidity contract movements	(14,059)	(536)
Capital reduction	--	--
Other additions	--	--
Remaining retirements	(88,160)	(6,048)
Other movements	(88,160)	(6,048)
Balance at 31/12/2020	296,422	22,049

At 31 December 2020 and 2019, the Company had treasury stock in its power according to the following detail:

	No. of shares	Nominal value (euros)	Average acquisition price (euros)	Total acquisition cost (thousand euros)
Treasury stock at 31/12/2019	398,641	398,641	71.83	28,633
Treasury stock at 31/12/2020	296,422	296,422	74.38	22,049

On 2 July 2015 Acciona, S.A. subscribed a liquidity contract with Bestinver Sociedad de Valores, S.A. for the management of its treasury stock. The company's stock operations carried out by Bestinver within the framework of this contract take place on the Spanish stock exchanges and the purpose is to increase the liquidity of transactions and the stability of the trading price. On 10 July 2017, Acciona, S.A. cancelled said liquidity contract and on the same date, the Company signed a new liquidity contract with the terms detailed in Circular 1/2017 of the Spanish National Securities Market Commission (CNMV) for the purposes of their acceptance as a market practice. The cash accounts and securities accounts that were associated with the cancelled liquidity contract and amounted to 44,328 shares and 3,539,114.85 euros were used to allocate cash and securities to the new liquidity contract, adjusting the amount in cash to the trading value of the shares assigned to the new contract, in accordance with the limits established in the new CNMV circular, which have been set at 44,328 shares and 3,340,000 euros.

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In 2020, the positive result recorded in reserves from transactions with treasury shares carried out under the liquidity agreement amounted to 1,031 thousand euros.

In addition to the foregoing, the following movements were carried out:

- Within the framework of the Share Delivery Plan and the Variable Remuneration Replacement Plan for Company directors, 79,485 shares were retired, recording a profit of 2,594 thousand euros in reserves.
- On 10 December 2020, and under the Performance Shares Plan, 8,675 shares were given to Executive Directors of the Company, resulting in a profit being recorded in reserves amounting to 385 thousand euros.

On 27 March 2018, Acciona S.A.'s Board of Directors established a time-scheduled share buy-back programme as approved by the shareholders at the Annual General Meeting held on 18 May 2017, under point six of the agenda (the "Buy-back programme"), and according to articles 2.2 and 2.3 of European Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016, which complements Regulation (EU) No 596/2014 on market abuse with regards to technical regulation standards relating to the conditions applicable to buy-back programmes and stabilisation measures, and therefore the liquidity contract was temporarily suspended.

As noted above, the Company's Board of Directors agreed to carry out a temporary buy-back programme which could have affected a maximum of 2,862,978 shares, representing 5% of the share capital, the monetary amount of which would amount to a maximum of 233,332,707 euros. The purpose of this temporary buy-back programme over its own shares was mainly the reduction in capital through the amortisation of shares, and to a lesser extent, to comply with Acciona, S.A.'s obligations with the Share Delivery Plan for directors and executives.

At the close of 2019, the positive result recorded in reserves from transactions with treasury shares carried out under the liquidity agreement amounted to 346 thousand euros.

The remaining movements carried out with own shares in 2019 were as follows:

- In the framework of the Share Delivery Plan and the Variable Remuneration Replacement Plan for Company directors, 81,983 shares were retired recording a profit of 2,116 thousand euros in reserves.
- On 20 December 2019, and under the Performance Shares Plan, 8,675 shares were given to Executive Directors of the Company, resulting in a profit being recorded in reserves amounting to 203 thousand euros.
- In connection with the resolution adopted by the Board of Directors on 27 March 2018, the planned capital reduction was carried out on 28 March 2019, by redeeming 2,402,897 shares, resulting in a negative adjustment of 162,425 thousand euros to the company's reserves.

11. Provisions and contingencies

Detail of provisions on the balance sheet at 31 December 2020 and 2019, and the main movements in the financial year were as follows (in thousand euros):

Non-current provisions	Amount
Balance at 31/12/2018	95,563
Allocations	7,500
Applications and reversals	(5,574)
Balance at 31/12/2019	97,489
Allocations	6,536
Applications and reversals	(62,323)
Balance at 31/12/2020	41,702

This heading includes provisions covering liabilities that could arise from various legal disputes, appeals, litigations and obligations still unresolved at the end of the year.

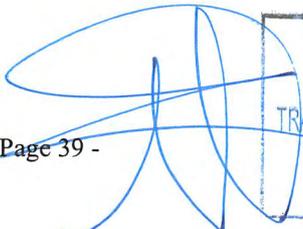
In 2020, a risk provisioned under this heading has materialised from an international litigation case, which has given rise to its application through the payment and recognition of short-term debt (see Note 12.4). This provision was overprovisioned by 656 thousand euros.

The provisions made in 2020 arise from the new Long-Term Incentive Plan (see Note 16.3) and from a provision for possible contingencies that the Company considers probable following the sale of a shareholding.

Acciona S.A. is 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., concessionaire of the R-2 toll motorway in Madrid), for several funds claiming to be current creditors of IRASA's bank debt for an amount of 551.5 million euros (138 million euros of which would correspond to the Acciona Group) for an alleged breach of certain shareholders' obligations. A response to the claim has been filed and the Court is awaiting a date for the preliminary hearing. The Group does not consider it probable that any liability will arise from this litigation and, therefore, no provision has been recorded in this connection.

The increase in the provision recorded for 2019 occurred after updating the exchange rate of the provision associated with a legal claim.

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12. Financial liabilities

The following table shows the financial liabilities classified by class and category (in thousands of euros) at the end of 2020 and 2019:

	2020		2019	
	Non-current	Current	Non-current	Current
Debits and items payable				
Debt instruments and other marketable securities	142,213	203,349	112,063	2,657
Bank borrowings	244,343	159,794	294,879	117,092
Other financial liabilities	15	38,252	15	--
Trade and other accounts payable	--	48,916	--	69,239
Suppliers and creditors	--	33,724	--	30,502
Other accounts payable	--	15,192	--	38,737
Total debits and items payable	386,571	450,311	406,957	188,988

12.1 Bank borrowings

The balance of short- and long-term bank borrowings (including accrued and unpaid interests) at the close of financial years 2020 and 2019 was as follows (in thousand euros):

	2020		2019	
	L/T	S/T	L/T	S/T
Bank borrowings	244,343	159,794	294,879	117,092

Detail at 31 December 2020 and 31 December 2019 by due date of the items in “Long-term bank borrowings” was as follows (in thousand euros):

2020:

	2022	2023	2024	2025	2026 onwards	Total
Bank borrowings	49,734	85,304	19,889	43,444	45,972	244,343

2019:

	2021	2022	2023	2024	2025 onwards	Total
Bank borrowings	90,476	49,881	65,381	--	89,141	294,879

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The table below shows the movements in bank borrowings in 2020 and 2019:

	Balance at 31/12/2018	Additions	Removals	Transfers	Balance at 31/12/2019	Additions	Removals	Transfers	Balance at 31/12/2020
L/T bank borrowings	144,792	155,391	--	(5,304)	294,879	40,000	--	(90,536)	244,343
S/T bank borrowings	231,598	260,492	(383,020)	5,304	114,374	81,000	(128,075)	90,536	157,835
Interest on borrowings	2,139	8,847	(8,268)	--	2,718	6,801	(7,560)	--	1,959
Total bank borrowings	378,529	424,730	(391,288)	--	411,971	127,801	(135,635)	--	404,137

During 2020, two long-term loans worth 40 million euros were arranged at a variable interest rate. These loans will mature in 2023 and 2024.

The additions in short-term bank borrowings correspond to finance for working capital, mainly in euros, with both fixed and variable remuneration. At the end of 2020, the balance is made up of 91 million euros of loans that have been transferred to short-term as they mature during the year, and the remaining amount corresponds to loans contracted during 2020 and expected to be repaid during 2021.

Included in the items mentioned above, the Company has been granted a loan by the European Investment Bank of which, at the end of 2020, 12 million euros are pending repayment, which will be repaid in full during 2021.

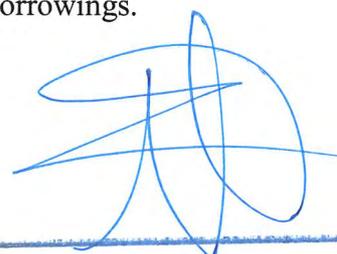
The bank borrowing arranged earn interest at fixed and floating interest rates (Euribor plus market margin), the cost of such remuneration oscillating from 0.78% to 2.53% based on the loan period.

The Company is under an obligation to meet certain economic and equity ratios related to the Group's consolidated accounts. These ratios were met at 31 December 2020 and 2019. Similarly, no default is expected for 2021.

The finance costs associated with this financing amounted to 7,398 thousand euros in 2020 (9,424 thousand euros in 2019).

At 31 December 2020 and 2019 none of the subsidiaries the financing of which Acciona, S.A. guarantees was in default of its financial obligations or any other obligation that could lead to early termination of its financial commitments.

In addition, in 2020 and 2019 there were no defaults or any other non-payments of principal, interest or repayments in respect of interest bearing borrowings.



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ACCIONA, S.A.*Notes for the year ended 31/12/2020***12.2 Debentures and marketable securities**

The balance of the accounts for short- and long-term debentures and marketable securities at the close of 2020 and 2019 was as follows (in thousand euros):

	2020		2019	
	L/T	S/T	L/T	S/T
Debentures and marketable securities	142,213	203,349	112,063	2,657

The detail at 31 December 2020 and 31 December 2019 by due date of the items in “Non-current debentures and marketable securities” was as follows (in thousand euros):

2020						
	2022	2023	2024	2025	2026 onwards	Total
Debentures and marketable securities (non-current)			62,213		80,000	142,213
2019						
	2021	2022	2023	2024	2025 onwards	Total
Debentures, bonds, and marketable securities (non-current)				62,063	50,000	112,063

The table below shows the movements in debentures and marketable securities in 2020 and 2019 (in thousand euros):

	Balance at 31/12/2018	Additions	Removals	Balance at 31/12/2019	Additions	Removals	Balance at 31/12/2020
Debentures, bonds, and marketable securities (non-current)	61,862	50,201	--	112,063	30,150	--	142,213
Debentures, bonds, and marketable securities (current)	--	--	--	--	200,003	--	200,003
Interest on debentures and other marketable securities	5,095	7,194	(9,632)	2,657	5,484	(4,795)	3,346
Total debentures and other marketable securities	66,957	57,395	(9,632)	114,720	235,637	(4,795)	345,562

At 31 December 2020 and 2019, details of the issues making up the balance for this heading were as follows:

- Issue by Acciona, S.A. in April 2014 of simple bearer debentures through a private placement, in the amount of 62.7 million euros and maturing in 2024. The face value of each debenture is 100,000 euros and they accrue interest at 5.55% per annum with an annual coupon. At 31 December 2020, the balances recorded for these simple debentures on the accounts for non-current and current bonds and debentures, net of the transaction costs and considering the interest accrued, amounted to 62.2 and 2.4 million euros, respectively (61.1 and 2.4 million euros at 31 December 2019), the fair value of which at the end of the year amounted to 71 million euros.

- In October 2019, in accordance with the Acciona Group's Green Financing Framework, a 50 million euro bilateral bond was issued through a Namensschuldverschreibung (NSV) format private placement, maturing in October 2034 with an annual coupon of 2.632% payable annually. At year-end, the balances recorded for this bond on the accounts for non-current and current bonds and debentures, net of the transaction costs and considering the interest accrued, amounted to 50 and 0.3 million euros, respectively (50 and 0.3 million euros at 31 December 2019).

- In March 2020, in accordance with the Acciona Group's Green Financing Framework, a 30 million euro bilateral bond was issued through a Namensschuldverschreibung (NSV) format private placement, maturing in March 2035 with an annual coupon of 3.00% payable annually. At year-end, the balances recorded for this bond on the accounts for non-current and current bonds and debentures, net of the transaction costs and considering the interest accrued, amounted to 30 and 0.7 million euros, respectively.

On 18 May 2020, the Group established a new Euro Commercial Paper (ECP) Programme listed on Euronext Dublin and underwritten directly by Acciona, S.A. as issuer with a maximum amount of 1,000 million euros. This programme was formalised with the aim of broadening the investor base and meeting the eligibility criteria set by the Eurosystem for the purchase of assets, specifically for the purchase of commercial paper under the Pandemic Emergency Purchase Programme (PEPP) announced in March 2020 by the European Central Bank. At 31 December 2020, the balance recorded against this programme in the current bond and debentures account amounted to 200 million euros.

- Fixed-interest securities issue programme - Euro Medium Term Note Programme (EMTN) for a maximum amount of up to 1,000 million euros, which was renewed in 2015 by Acciona Financiación de Filiales, S.A., where Acciona S.A. is now the guarantor. In relation to this programme, the Group prepared a base leaflet that was approved by the Central Bank of Ireland. The securities issued under this programme could: accrue fixed or variable interest, be issued in euros or in another currency and at par, below par and premium and have different maturity dates. As at 31 December 2019 the amounts under this EMTN programme were fully written off. These issues accrued annual interest ranging from 3.6% to 4.625%, payable on an annual basis.

At the close of the financial year there were no issues convertible into shares or issues granting rights or privileges that might, in the event of a contingency, make them convertible into shares of Acciona, S.A.

The finance costs associated with this kind of financing were 5,998 thousand euros (7,695 thousand euros in 2019).



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12.3 Current and non-current payables to Group companies

The balance of current and non-current payables to Group companies at the close of financial years 2020 and 2019 was as follows (in thousand euros):

	Balance at 31/12/2020	Balance at 31/12/2019
Loans and Credits	99,259	99,179
Total non-current payables to Group companies	99,259	99,179
Loans and Credits	1,868,938	2,827,147
Interest on borrowings	22,231	26,381
Consolidated tax liabilities	363,514	279,530
Total current payables to Group companies	2,254,683	3,133,058
Total payables to Group companies	2,353,942	3,232,237

Most of the loans and credits are granted by Acciona Financiacion de Filiales S.A. (AFF), a company which is wholly-owned by Acciona S.A., which acts as the Group's financing company.

AFF granted a long-term loan amounting to 99 million euros in 2019 to enable the Company to subscribe and disburse the capital increase carried out for Nordex (see note 8.2) and has also granted a short-term credit facility amounting to 1,602 million euros at the end of 2020 (1,857 million euros in 2019). A short-term credit facility has also been granted in USD for an amount of 471 thousand US dollars at the end of 2020 (equivalent to 384 thousand euros at the end of 2020). In addition, a short-term loan signed in November 2019 with the same company for the amount of 708 million euros to meet the obligations that may arise from the public tender offer launched on its investee Nordex SE (see notes 8.2, 9 and 19) was repaid.

The loans earn interest at 4% and have annual maturities which are automatically extended if no party decides otherwise.

The finance costs associated with the loans granted by Group companies amounted to 74.7 million euros in 2020 (71.5 million euros in 2019).

With regard to consolidated tax liabilities, the competent authorities have allowed the Company to apply the tax consolidation system for corporate income tax and value added tax. For this purpose, this heading includes the debts contracted for these concepts with the companies in the same tax group.

12.4 Other current financial liabilities

This item includes the balance payable in respect of international litigation amounting to 38,252 thousand euros. This amount was provisioned in prior years and has materialised in 2020 (see note 11).

12.5 Average period for payment to suppliers

The table below details the information required by Final Provision Two of Act 31/2014, of 3 December, as prepared following application of Resolution dated 29 January 2016 by the Spanish Accounting and Audit Institute. This information refers only to Spain, where this regulation is applicable:

Average payment period and payments made and payments outstanding at the balance sheet date	2020	2019
	Days	Days
Average period of payment to suppliers	45.64	43.87
Paid operations ratio	45.77	43.54
Unpaid operations ratio	44.22	59.07
	Amount	Amount
	(in thousand euros)	(in thousand euros)
Total payments made	87,225	77,402
Total payments outstanding	8,071	1,665

The “Average period of payment to suppliers” refers to the time that elapses from delivery of goods or provision of services by a supplier to payment of the operation.

The “Average period of payment to suppliers” is calculated as the quotient whose numerator is the result of adding the paid operations ratio by the total amount of payments made to suppliers plus the operations outstanding ratio by the total amount of payments outstanding and whose denominator is the total amount of payments made and payments outstanding.

The “Paid operations ratio” is calculated as the quotient whose numerator is the sum of the products related to the amounts paid, by the number of payment days (calendar days elapsed as from the time when the period begins to run up to actual payment of the operation) and whose denominator is the total amount of payments made.

And the “Unpaid operations ratio” refers to the quotient whose numerator is the sum of the products related to the amounts outstanding, by the number of payment outstanding days (calendar days elapsed as from the time when the period begins to run up to the close of the financial statements) and whose denominator is the total amount of payments outstanding.



13. Public Entities and Tax Matters

13.1 Current balances with Public Entities

Current balances with Public Entities at 31 December 2020 and 2019 were as follows (in thousand euros):

Accounts receivables

Concept	2020	2019
Current tax assets	12,057	6,445
Inland Revenue - receivable for VAT	194	498
Total	12,251	6,943

Current tax assets show the projected amount to be returned for the 2020 tax form.

Accounts payables

Concept	2020	2019
Withholdings	14,623	1,435
Social security bodies - payable	328	509
Inland Revenue - payable for VAT	--	508
Total	14,951	2,452

13.2 Reconciliation of the accounting result and the taxable base

Reconciliation between the accounting result and the separate tax base for Corporate Tax at 31 December 2020 and 2019 was as follows:

2020	Thousand euros		
	Increases	Decreases	Total
Accounting profit/(loss) before tax			221,504
Permanent adjustments to tax base	10,556	(382,494)	(371,938)
Temporary adjustments to tax base:	9,384	(38,303)	(28,919)
<i>Originating in the year:</i>	9,384	--	9,384
<i>Originated in previous years:</i>		(38,303)	(38,303)
Tax base			(179,353)

The positive permanent adjustments to the tax base for 2020 relate mainly to the reversal of the deductible portfolio provision under Royal Decree Law 3/2016. The negative permanent adjustments related to the exemption of dividends accounted for in the year and to a portfolio provision which was originally non-deductible (Nordex SE).

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The positive temporary adjustments to the tax base for 2020 relate to allocations to provisions for long-term employee remuneration which have not been delivered. Negative temporary adjustments relate mainly to the application of other non-deductible provisions.

2019	Thousand euros		
	Increases	Decreases	Total
Accounting profit/(loss) before tax			219,046
Permanent adjustments to tax base	10,500	(377,187)	(366,687)
Temporary adjustments to tax base:	22,626	(909)	21,717
<i>Originating in the year:</i>	22,626	--	22,626
<i>Originated in previous years:</i>	--	(909)	(909)
Tax base			(125,924)

The positive permanent adjustments to the tax base for 2019 related mainly to the reversal of the deductible portfolio provision under Royal Decree Law 3/2016. The negative permanent adjustments related to the exemption of dividends accounted for in the year and to a portfolio provision which was originally non-deductible.

The positive temporary adjustments to the tax base for 2019 related to allocations to provisions for long-term employee remuneration which had not been delivered. Negative temporary adjustments related mainly to the application of other non-deductible provisions.

13.3 *Reconciliation between the accounting result and the expense for corporate tax*

Reconciliation between the accounting result and the expense for Corporate Tax at 31 December 2020 and 2019 was as follows (in thousand euros):

	2020	2019
Accounting profit/(loss) before tax	221,504	219,046
Tax charge at 25%	55,376	54,762
Permanent differences impact	(92,984)	(91,672)
Tax credits	(586)	(1,071)
Adjustment to final tax expense (*)	(461)	(3,016)
Total recognised tax expense	(38,655)	(40,998)

(*) This item includes the differences between the final corporate tax for 2019 and 2018.



13.4 Breakdown of expense for corporate tax

Breakdown of expense/income for corporate tax in financial years 2020 and 2019 was as follows (in thousand euros):

	2020	2019
Current tax	(45,885)	(35,569)
Deferred tax	7,230	(5,429)
Total tax expense/(income)	(38,655)	(40,998)

13.5 Recognised deferred tax assets

Detail of the balance in this account for financial years 2020 and 2019 was as follows (thousand euros):

Deductible temporary differences (Advanced taxes)	2020	2019
Provisions for liabilities and other adjustments	7,963	30,173
Tax credits pending and other	124,647	108,564
Tax credit for tax loss carryforwards	70,758	34,151
Total deferred tax assets	203,368	172,888

The estimated time to recover tax credits and tax deductions is 3 to 7 years, respectively.

Movements in financial year 2020 in relation to tax credits pending application, broken down by item and deadline for application, in thousand euros, were as follows:

Concept	Balance 2019	Additions	Removals	Balance 2020	Applicable deadlines
Tax credit for double taxation	--	6,731	--	6,731	Indefinite
Credit for reinvestment	23,146	--	--	23,146	+ 15 years
Credit for R&D+ i	82,471	2,191	--	84,662	+ 18 years
Environment-related credits	1,066	--	--	1,066	+ 15 years
Other tax credits	7,560	1,482	--	9,042	+ 15 years
TOTAL	114,243	10,404	--	124,647	

The deferred tax assets indicated above were recognised on the balance sheet as the Directors of the Company considered that, according to the best estimate about the Company's future results, the assets in question were likely to be recovered.

Corporate Tax Act 27/2014, of 27 November, eliminated, effective 1 January 2015, the deadline to offset tax loss carryforwards, which was set at 18 years, so this period is now unlimited.

This Act also eliminated the deadline for offsetting double taxation credits pending application from previous years, so now the period is unlimited, as provided for in article 39 of Act 27/2014, which extended the general period to offset other deductions to 15 years, except for R&D+I which was extended to 18 years.

13.6 Years open to review by the tax authorities

As indicated in Note 4.7, Acciona, S.A. is allowed to apply the special tax system under the Corporate Tax regulations for tax groups, acting as the Parent. Fiscal group 30/96 includes the subsidiaries that meet the requirements set by the regulations in force.

Effective 1 January 2008, the Company decided to apply the special system for VAT Company Groups, as set forth in Chapter IX under Title IX of Act 37/1992, of 28 December, on Value Added Tax, for which the parent is Acciona, S.A.

Years subject to tax review:

On 10 March 2012, tax audits were begun in relation to Corporate Tax for 2007-2009 by the inspection services from the Central Office for High-Income Taxpayers, focusing both on Acciona, S.A., as the parent, and other subsidiaries. In addition to the review of the Tax Group's corporate tax for those years, the Company Group for VAT was under review for 2008 and 2009 and for other taxes for 2008 and 2009 of the Group companies subject to the tax review.

The inspectors, for their part, queried the fulfilment of the requirements for application of the exemption in the payment of dividends for one of the non-resident shareholders, in particular, the requirements of holding the status of effective beneficiary, and this led to the signing of the contested tax assessments. On 3 and 17 July 2014, the Company lodged economic and administrative appeals at the Central Economic Administrative Court. On 29 May 2015, the Company reached an agreement with the shareholder that received the dividends so as to proceed to pay said amount, with settlement of the tax debt upon the shareholder's payment. They are currently pending resolution by the National Appellate Court.

The other inspection actions concluded on 12 June 2014 with the signing of uncontested assessments for Corporate Tax for 2007-2009 and without any tax due, uncontested conclusions for VAT (without fine), as well as contested assessments for Personal Income Tax withholdings relating to compensation for dismissal. The Group companies lodged economic and administrative appeals at the Central Economic Administrative Court. On 19 October 2015 this Court notified dismissal of the claims filed by Acciona Construction, confirming settlement of the assessments for withholdings for the 2008 to 2011 periods, as well as the relevant fine proceedings. On 3 December 2015 the company filed appeal for judicial review at the National Appellate Court. On 3 April 2018 the National Appellate Court notified that the appeal related to the debts settled had been dismissed, but disciplinary proceedings had been annulled. A notice of a cassation appeal was submitted to the Supreme Court on 18 July 2018, which was declared inadmissible on 12 November 2018. On 11 December 2018, a motion for annulment of proceeding was presented before the Supreme Court, which was eventually ruled inadmissible on 11 January 2019.

On 21 May 2015 the Central Office of High-Income Taxpayers notified the start of inspection actions in relation to Corporate Tax for financial years 20102012, targeting Acciona, S.A., as the Parent Company of the Group, and several subsidiaries. The activities were concluded with the signing of a Corporate Tax conformity certificate for the Tax Group and the signing of the VAT settlement certificate without penalty, under the terms agreed in previous proceedings.

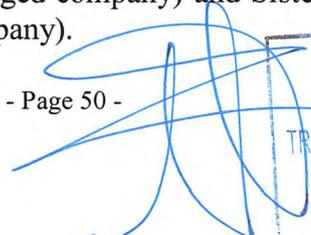
At 31 December 2020, the years that had not lapsed and that had not been reviewed were subject to review by the tax authorities, both for Corporate Tax and for the other main taxes applicable to the companies in the consolidated tax group. In general, the other Spanish consolidated companies have the last four years open for review by the tax authorities for the main taxes applicable thereto.

As tax legislation can be interpreted in different ways, the outcome of the tax audits that could be conducted by the tax authorities in the future for the years subject to verification might give rise to tax liabilities which cannot be objectively quantified at the present time. However, the possibility of material liabilities arising in this connection additional to those already recognised is remote, and the directors of Acciona S.A. consider that the liabilities that might arise would not have a material effect on the equity of the Acciona Group.

13.7 *Information to include in the Notes to annual financial statements under application of section 86 of Corporate Tax Act 27/2014 on operations with preferential tax treatment.*

In accordance with the provisions contained in section 86 of Corporate Tax Act 27/2014, certain Group companies applied the Special System for mergers, spin-offs, contribution of assets and securities swaps, for the operations detailed below, in which Acciona, S.A. took part as contributing company and as legal person and member.

- Merger with backdated effects 1 January 2008 of the companies Eólica de Belorado, S.L. and Energías del Cantábrico, S.L. (merged companies) and Eólica de Sanabria, S.L. (merging company).
- Merger with backdated effects 1 January 2008 of the company Explotaciones Eólicas Monte Endino, S.L. (merged company) and Corporación Eólica de Zamora, S.L. (merging company).
- Merger with backdated effects 1 January 2008 of the company Ensenada de Renovables, S.L. (merged company) and Corporación Eólica Manzanedo, S.L. (merging company).
- Merger with backdated effects 1 January 2008 of the company Corporación Eólica Palentina, S.L. (merged company) and Corporación Eólica de Barruelo, S.L. (merging company).
- Merger with backdated effects 1 January 2008 of the company Corporación Eólica del Duero, S.L. (merged company) and Sistemas Energéticos Valle del Sedano, S.A. (merging company).



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- Merger with backdated effects 1 January 2008 of the companies Energía Cogeneración y Térmico, S.L., Argoras Energía, S.L. and Asturalter, S.L. (merged companies) and Terranova Energy Corporation, S.A. (merging company).
- Merger with backdated effects 1 January 2008 of the companies Yagonova, S.L., Parque Eólico de Fonteavia, S.L., Parque Eólica de Goa, S.L., Parque Eólico Celada III, S.L., Parque Eólico Celada V, S.L., Parque Eólico Encinedo, S.L., Parque Eólico El Cuadrón, S.L., El Endino Eólica, S.L., Parque Eólico de Angostillos, S.L., Eólicas de Montellano, S.L., Renovables de Valdeoléa, S.L., Corporación Eólica Los Alcañices, S.L., Ingeniería de Energía Renovable, S.A.U and Eólica de Pisuerga, S.L. (merged companies) and Ceólica Hispania, S.L. (merging company).
- Merger with backdated effects 1 January 2008 of the company Sistemas Energéticos de Roa, S.L.U (merged company) and Parque Eólico Cinseiro, S.L. (merging company).
- Special non-cash contribution of assets effective 2 October 2008, by the company Acciona, S.A (contributing company) to the company Acciona Aparcamientos, S.L (acquiring company).
- Non-cash contribution of branch of activity with backdated effect 31 March 2008 by the company Acciona Biocombustibles, S.A. (contributing company) to the company Estación de Servicio Legarda, S.L (acquiring company).
- Special non-cash contribution of assets effective 1 October 2008, by the company Acciona Inmobiliaria, S.L (contributing company) to the company Valgrand 6, S.A.U. (acquiring company).
- Partial financial split of the shareholding in Acciona Windpower, S.A., with backdated effect 1 January 2008, by the company Acciona Energía, S.A. (transferor) to Corporación Acciona Windpower, S.L. (acquiring company).
- Partial financial split of the shareholding in Acciona Eólica de Galicia, S.A., with backdated effect 1 September 2008, by the company Ineuropa de Cogeneración, S.A.U. (transferor) to Corporación Acciona Energías Renovables, S.L.U. (acquiring company), documented in deed dated 16 January 2009.
- Non-cash contribution of shareholdings in Ceatesalas, S.L.U, Acciona Energía, S.A.U., KW Tarifa, S.A.U. Alabe Sociedad de Cogeneración, S.A.U. and Ineuropa de Cogeneración, S.A.U., by the company Acciona, S.A. (transferor) to Corporación Acciona Energías Renovables, S.L.U. (acquiring company), documented in deed dated 7 April 2009, and effective 1 January 2009 for accounting purposes.



- Merger effective 1 January 2009 of the companies Altai Hoteles Condal, S.L.U., Barcelona 2 Residencial, S.A.U., Construcciones Gumi, S.L., Gestión de Servicios y Conservación de Infraestructuras, S.L.U., Grupo Lar Gran Sarriá, S.L.U., Montaña Residencial, S.A.U. and Necsohenar, S.A.U. (merged companies) and the company Acciona Inmobiliaria, S.L.U. (merging company), documented in deed dated 7 August 2009.
- Merger of the company Caserío de Dueñas, S.A. and Hijos de Antonio Barceló, S.A. (merging company), documented in deed dated 17 September 2010 and with backdated effects 1 January 2010.
- Merger of the company AEPO, S.A.U. and Acciona Ingeniería, S.A. (formerly Ibérica de Estudios e Ingeniería) (merging company), documented in deed dated 24 September 2010 and with backdated effect 1 January 2010.
- Merger of the companies Grupo Entrecanales, S.A, Servicios Urbanos Integrales, S.A., Tivafen, S.A.U. and Osmosis Internacional, S.A.U. (merged companies) and Acciona, S.A. (merging company), documented in deed dated 11 July 2011 and backdated effect 1 January 2011.
- Non-cash contribution of the shareholdings in Acciona Servicios Urbanos, S.L. and Corporación de Explotaciones y Servicios, S.A. by Acciona, S.A. to Acciona Service, S.L., documented in deed dated 31 March 2014 and backdated effect 1 January 2014.
- Partial split due to segregation of assets and liabilities of Acciona Agua, S.A. to Acciona Agua Servicios, S.L.U., documented in deed dated 30 June 2014 and backdated effect 1 January 2014.
- Merger of the company P.E. Topacios, S.A. and Alabe Sociedad de Cogeneración, S.A. (merging company), documented in deed dated 18 September 2014 and backdated effect 1 January 2014.
- Merger of the company C.E. de Puerto Llano, S.L. and Global de Energías Eólicas Al Ándalus, S.A. (merging company), documented in deed dated 18 September 2014 and backdated effect 1 January 2014.
- Merger of the company Eólica Gallega del Atlántico, S.L. and Eólica Breogán, S.L. (merging company), documented in deed dated 18 September 2014 and backdated effect 1 January 2014.
- Merger of the companies C.E. de Barruelo, S.L. and C.E. de Manzanedo, S.L. Puerto Llano, S.L. (merged companies) and Sistemas Energéticos Valle de Sedano, S.A. (merging company), documented in deed dated 18 September 2014 and backdated effect 1 January 2014.

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- Merger of the company Toyonova, S.L. and Eurovento, S.L. (merging company), documented in deed dated 19 December 2014 and backdated effect 1 January 2014.
- Spin-off of the company Acciona Inmobiliaria, S.L. through segregation of the part of its corporate equity that comprises a branch of activity, , under the terms set forth in section 71 of Act 3/2009, of 3 April, on Structural Modifications to Mercantile Businesses, with the economic unit being transferred to the beneficiary company Acciona Real Estate, S.A.U., documented in deed dated 30 September 2015.
- Merger of the company Global de Energías Eólicas Al Andalus, S.A. and Ceólica Hispania, S.L. (merging company), documented in deed dated 11 September 2015 and backdated effect 1 January 2015.
- Special non-cash contribution by Acciona, S.A. to Acciona Service, S.L., of the shareholdings in the companies Acciona Producciones y Diseño, S.A., Inetime, S.A., Acciona Airport Services, S.A., Interurbano de Prensa, S.A., Acciona Forwarding, S.A. Transurme, S.A. and Paktivity, S.A., documented in public deed dated 14 July 2016.
- Merger of the companies Eólica de Sanabria, S.L., Eólica de Moncayo, S.L., Parque Eólico de Tortosa, S.L., Sistemas Energéticos El Granado, S.L. and Corporación Eólica Zamora, S.L. (merged companies) and the company Sistemas Energéticos Valle de Sedano, S.A. (merging company), documented in deed dated 8 September 2016 and with backdated effect 1 January 2016.
- Special non-cash contribution by Acciona, S.A. to Corporación Acciona Infraestructuras, S.A., of the shareholdings in in Acciona Infraestructuras, S.A., Acciona Service, S.L and Acciona Agua, S.A., documented in public deed dated 2 December 2016.
- Merger of the companies Acciona Energía Solar, S.L. and Acciona Solar Canarias, S.A. (merged companies) and the company Acciona Solar, S.A. (merging company) documented in deed dated 27 July 2017 and with backdated effect of 1 January 2017.
- Special non-cash contribution by Acciona Service, S.L. to Acciona Aeropuertos, S.L. of the stakeholding in the company Acciona Airport Services, S.A., documented in public deed dated 28 July 2017.
- Special non-cash contribution by Acciona, S.A. to Acciona Concesiones, S.L. of the stakeholdings in the companies Sociedad Concesionaria Novo Hospital de Vigo, S.A., Acciona Servicios Concesionales, S.L., Sociedad Concesionaria Hospital del Norte, S.A., Nova Darsena Esportiva de Bara, S.A., Autovía de los Viñedos, S.A., Sociedad Anónima Concesionaria de la Junta de Comunidades de Castilla La Mancha, Gran Hospital Can Misses, S.A. and Sociedad



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Concesionaria de la Zona Regable del Canal de Navarra, S.A., documented in public deed dated 21 December 2017.

- Special non-cash contribution by Acciona, S.A. to Corporación Acciona Infraestructuras, S.A. of the stakeholding in Acciona Concesiones, S.L., documented in public deed dated 28 December 2018.
- Merger by absorption of the company Fidentiis Gestión S.G.I.I.C., S.A. by Bestinver Gestión S.G.I.I.C., S.A., documented in a public deed dated 11 December 2020.
- Merger by absorption of Bestinver Sociedad de Valores S.A. by Fidentiis Equities, S.V. S.A., and change of corporate name, documented in a public deed dated 11 December 2020.

Pursuant to section 3 of article 86 of Act 27/2014, the information required for operations carried out in previous years appears in the relevant separate notes to financial statements as approved.

13.8 *Information to include in the notes to financial statements under application of sect. 12.3 of the consolidated text of the Corporate Tax Act in relation to deduction for impairment losses on securities representing shareholdings in the capital of companies and 16th Temporary Provision of Act 27/2014, amended by Royal Legislative Decree 3/2016, of 2 December.*

Royal Legislative Decree 3/2016, of 2 December, amended the 16th Temporary Provision of Corporate Tax Act 27/2016, which regulated the system to include in the taxable base impairment losses in investments in group companies, joint and associates (sect. 12.3 of the consolidated text of the Corporate Tax Act) deducted in tax periods commencing before 1 January 2013. This amendment established a minimum annual amount for reversion in five years (that is, 20% per year) of the balance at 31 December 2015, unless reversion on the recovery of capital and reserves of investees and/or collected dividends is higher than that amount.

The information required under the tax regulations in relation to amounts deducted, the difference in the year of capital and reserves of investees, as well as amounts included in the taxable base, this being the last year for inclusion, are indicated below.

1. - Amounts that reversed in financial year 2019:

Investee	Reversion	Pending at 31/12/2019
MDC Airport Consult	190	190
Mostotal Warszawa	2,295	2,295
Infraestructuras y Radiales S.A.	4,086	4,086
Nova Darsena Sportiva de Bara, S.A.	251	251
Sociedad Conc. Puente del Ebro, S.A.	532	532

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ACCIONA, S.A.*Notes for the year ended 31/12/2020*

Ecología del Agua, S.A	4	4
Cía Tratamiento y Gestión Residuos Murcia	3	3
Parque Isla Mágica, S.A	130	130
Unión Deportiva Las Palmas	1	1

2. - Amounts that reversed in financial year 2020:

Investee	Reversion	Pending at 31/12/2020
MDC Airport Consult	190	--
Mostotal Warszawa	2,295	--
Infraestructuras y Radiales S.A.	4,086	--
Nova Darsena Sportiva de Bara, S.A.	251	--
Sociedad Conc.Puente del Ebro, S.A.	532	--
Ecología del Agua, S.A	4	--
Cía Tratamiento y Gestión Residuos Murcia	3	--
Parque Isla Mágica, S.A	130	--
Unión Deportiva Las Palmas	1	--

14. Foreign currency

Detail of the main balances and transactions in foreign currency in financial years 2020 and 2019, measured at the closing exchange rate and average exchange rate, respectively, were the following:

2020		MXN	USD	CAD	CLP	AUD	CHF	PLN	GBP
Loans granted to Group		8,411	--	--	--	--	--	--	--
Cash		--	--	1	1	22	--	--	--
Trade payable		(48)	(61)	--	(58)	--	(92)	--	--
Trade payable to Group		--	--	(4)	(2)	--	--	--	--
Expenses for services received		(172)	(1,301)	(29)	(228)	(28)	(228)	--	(79)
Finance costs		(2)	(3,173)	(7)	(8)	(9)	--	(4)	(6)
Group financial income		377	1	--	--	--	--	--	--

2019		MXN	USD	CAD	CLP	AUD	CHF	PLN	GBP
Loans granted to Group		7,020	--	--	--	--	--	--	--
Cash		--	351	63	1	53	--	56	--
Trade payable		--	--	--	(13)	--	--	--	--
Trade payable to Group		--	--	(4)	--	--	--	--	--
Expenses for services received		(25)	(1,570)	(33)	(259)	(32)	(100)	--	(47)
Finance costs		--	(1,893)	--	--	(42)	--	--	(3)
Group financial income		487	10	--	--	--	--	--	--

15. Income and expenses

15.1 Net turnover

The Company, which heads its consolidated group, has basically developed activities typical of a holding company in 2020 and 2019, and, as such, it did not engage in any significant commercial activity, and, therefore, it does not have activity segments, so the figure for turnover on the income statement mainly related to the services rendered to Group companies and income from dividends received from the subsidiaries and financial income associated with the financing of the subsidiaries.

15.2 Personnel expenses

Detail of personnel costs at 31 December 2020 and 2019 was as follows (in thousand euros):

	2020	2019
Wages, salaries and similar	42,789	51,423
Welfare charges	7,386	11,387
Total	50,175	62,810

In financial years 2020 and 2019 “Wages, salaries and similar” included compensation for the amount of 1,424 and 875 thousand euros, respectively.

Breakdown of the balance in the account “Welfare charges” in 2020 and 2019 was as follows (in thousand euros):

	2020	2019
Social security paid by the company	3,087	5,008
Other welfare charges	4,299	6,379
Total	7,386	11,387

16. Operations and balances with group companies and associates

16.1 Operations with group companies and associates

Detail of operations with related parties in 2020 and 2019 was as follows (in thousand euros):

2020	Group Companies	Associates	Total
Services provided	59,111	--	59,111
Services received	(10,031)	--	(10,031)
Income from interest	418	702	1,120
Interest expense	(74,700)	--	(74,700)
Dividends	184,197	--	184,197

2019	Group Companies	Associates	Total
Services provided	75,334	240	75,574
Services received	(7,797)	(104)	(7,901)
Income from interest	462	--	462
Interest expense	(71,504)	--	(71,504)
Dividends	276,178	--	276,178

In 2019, the Company signed an agreement to assign future collection rights arising from various litigations of the Acciona Group. In June 2019, Acciona S.A. transferred the rights and obligations under this agreement to its investee Corporación Acciona Infraestructuras S.A. in respect of the litigation to which the latter is, or may be, a direct or indirect party.

16.2 Balances with group companies and associates

Balances with group companies and associates on the balance sheet at 31 December 2020 and 2019 were as follows (in thousand euros):

2020	Group companies	Associates	Total
Long-term investments	5,611,493	891,005	6,502,498
Equity instruments (Note 8.2)	5,603,082	873,805	6,476,887
Cost	6,563,100	906,394	7,469,494
Provisions	(960,018)	(32,588)	(992,606)
Credits (Note 8.2)	8,411	17,200	25,611
Credits to companies	8,411	46,727	55,138
Provisions	--	(29,527)	(29,527)
Accounts receivable	41,212	81	41,293
Short-term investments:	174,820	--	174,820
Credits to companies and others	5,876	--	5,876
Other financial assets	168,944	--	168,944
Non-current payables	(99,259)	--	(99,259)
Current payables	(2,254,683)	--	(2,254,683)
Trade payables	(1,513)	(819)	(2,332)
2019	Group companies	Associates	Total
Long-term investments	5,641,528	661,835	6,303,363
Equity instruments (Note 8.2)	5,634,508	661,835	6,296,343
Cost	6,594,526	892,196	7,486,722
Provisions	(960,018)	(230,361)	(1,190,379)
Credits (Note 8.2)	7,020	--	7,020
Credits to companies	7,020	29,528	36,548
Provisions	--	(29,528)	(29,528)
Accounts receivable	41,659	290	41,949
Short-term investments:	304,874	--	304,874
Credits to companies and others	3,321	--	3,321
Other financial assets	301,553	--	301,553
Non-current payables	(99,179)	--	(99,179)
Current payables	(3,133,058)	--	(3,133,058)
Trade payables	(1,427)	(809)	(2,236)

The amounts under "Other financial assets" correspond to dividends receivable (139,000 thousand euros in 2020 and 230,600 thousand euros in 2019) and the corporate tax

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receivable account (29,943 thousand euros in 2020 and 70,953 thousand euros in 2019), and the heading “Accounts receivable” related to invoices to group companies and associates under the concepts of management fees and expenses incurred. “Short-term debts with group companies” related mainly to balances from the settlement of corporate tax of the companies the Parent Company of which is Acciona, S.A., in tax group 30/96 (Note 4.7 and Note 13.3), as well as loans received by Acciona, S.A.

16.3 Remuneration for the Board of Directors and Senior Management

ACCIONA, S.A. is the Group’s parent company and its activity is limited to the management of shareholdings and to services to support its investees. Therefore, the remuneration of the Board of Directors and Senior Management must be interpreted from the Parent and subsidiaries perspective.

Transactions with shareholders

In 2020 and 2019 there were no significant transactions involving a transfer of resources or obligations between the Parent Company or its Group companies and the Company’s main shareholders.

Transactions with directors or executives

The Group’s “related parties” are deemed to be, in addition to the subsidiaries, associates and joint operations, the Company Management’s “key personnel” (members of its Board of Directors and of senior management, and their close relatives) and the entities over which key management personnel may exercise control or significant influence. The following is a summary of two transactions carried out in the 2020 financial year with executive directors or companies related to them, which are detailed in the Annual Corporate Governance Report:

- *Sales of related entities’ shares by Acciona Agua, S.A. to Executive Directors*

On 21 June 2019, Acciona, S.A. reported that it had assigned any future collection rights arising from the claim that ATLL Concesionaria de la Generalitat de Catalunya, S.A. (in liquidation) has with the Generalitat de Catalunya resulting from the cancellation of the Ter-Llobregat bulk water supply contract award (see Note 19).

As a result of this assignment, and in order to continue with the claim arising from the cancellation of the concession contract, the Acciona Group, as the majority shareholder of ATLL, offered to acquire the respective shares of ATLL’s other shareholders, all under the same terms and conditions.

This acquisition process was finally completed on 14 April 2020, through the sale and purchase of 6% of the share capital of ATLL held by Global Buridan, S.L. and Global Lubbock, S.L., respectively.

In accordance with the provisions of the Board Regulations, the transaction was authorised by the Board of Directors, following a report from the Audit Committee.

The Secretary of the Committee reminds the committee members that, given the situation of the world economic crisis and the political uncertainty in Catalonia, prevailing at the time the Offering Consortium was formed, several institutional investors declined the invitation to form part of the consortium at the last moment: therefore, the Board not only approved but promoted the subscription of non-controlling interests in the Consortium among the members of the Board, through which, finally, it was possible to form the Consortium and present the Offer.

- *Long-Term Incentive Plan 2014-2019*

On 28 May 2020, the General Shareholders' Meeting approved the amendment of the 2014 Plan for the delivery of shares and performance shares of Acciona, S.A. This amendment is to allow the incentive to be settled for the entire Plan, in favour of the Executive Directors, either annually or over several years, through the delivery of other company assets that the Board of Directors may consider suitable at market value, according to an independent expert's valuation.

This Plan settlement process, under the supervision of the Appointments and Remuneration Committee and the Audit Committee and with the agreement of the Board of Directors dated 10 December 2020, was completed on 28 December 2020, by the execution of a public deed for the delivery of a total of 3,564,794 shares of Grupo Bodegas Palacio 1894, S.A., representing 81.48% of its share capital, to the Executive Directors in the following proportion:

- Executive Chairman, 2,227,778 shares, representing 50.92% of its share capital.
- Executive Vice-Chairman, 1,337,016 shares, representing 30.55% of its share capital.

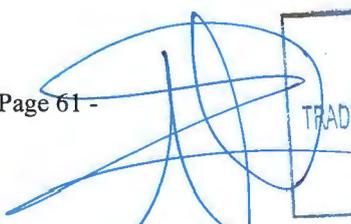
In addition, the transactions performed by the Group in 2020 and 2019 with its related parties are listed below, differentiating between the Company's significant shareholders, members of the Board of Directors and Managers, and other related parties. Related party transactions are made on terms equivalent to those in arm's length transactions that usually take place in a normal business relationship with Acciona, S.A. or the Group companies within the scope of the ordinary course of trade of these entities and under market conditions. These transactions consisted basically of:

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Thousand euros					
31.12.2020					
Expenses and income	Significant shareholders	Administrators and Directors	Group employees, companies or entities	Other related parties	Total
Expenses:	--	--	--	--	--
Finance costs	--	--	--	--	--
Leases	--	--	--	--	--
Services received	--	--	--	114	114
Purchase of stock	--	--	--	--	--
Other expenses	--	--	--	--	--
Income:	--	--	--	--	--
Financial income	--	--	--	--	--
Dividends received	--	--	--	--	--
Services provided	--	--	--	139	139
Sales of stock	--	--	--	--	--
Other income	--	--	--	--	--

Thousand euros					
31.12.2020					
Other transactions	Significant shareholders	Administrators and Directors	Group employees, companies or entities	Other related parties	Total
Financing agreements: loans and capital	--	--	--	--	--
Financing agreements: loans and capital	--	--	--	--	--
Guarantees provided	--	--	--	--	--
Guarantees received	--	--	--	--	--
Obligations acquired	--	--	--	--	--
Dividends and other profits distributed	--	--	--	--	--
Other operations (purchase)	--	--	--	22,800	22,800
Other operations (sale)	--	--	--	26,357	26,357

Thousand euros					
31.12.2020					
Balances at End of Period	Significant shareholders	Administrators and Directors	Group employees, companies or entities	Other related parties	Total
Customers and trade receivables	--	--	--	--	--
Loans and credit facilities granted	--	--	--	--	--
Other collection rights	--	--	--	125	125
Total balance receivable	--	--	--	125	125
Loans and credit facilities received	--	--	--	--	--
Other payment obligations	--	--	--	--	--
Total balance payable	--	--	--	--	--



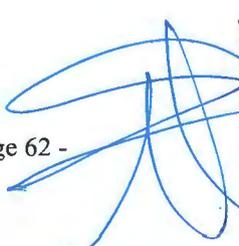
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Thousand euros					
31.12.2019					
Expenses and income	Significant shareholders	Administrators and Directors	Group employees, companies or entities	Other related parties	Total
Expenses:	--	--	--	--	--
Finance costs	--	--	--	--	--
Leases	--	--	--	--	--
Services received	--	--	--	131	131
Purchase of stock	--	--	--	--	--
Other expenses	--	--	--	--	--
Income:	--	--	--	--	--
Financial income	--	--	--	--	--
Dividends received	--	--	--	--	--
Services provided	--	--	--	55	55
Sales of stock	--	--	--	--	--
Other income	--	--	--	--	--

Thousand euros					
31.12.2019					
Other transactions	Significant shareholders	Administrators and Directors	Group employees, companies or entities	Other related parties	Total
Financing agreements: loans and capital	--	--	--	--	--
Financing agreements: loans and capital	--	--	--	--	--
Guarantees provided	--	--	--	--	--
Guarantees received	--	--	--	--	--
Obligations acquired	--	--	--	--	--
Dividends and other profits distributed	--	--	--	--	--
Other transactions	--	--	--	--	--

Thousand euros					
31.12.2019					
Balances at End of Period	Significant shareholders	Administrators and Directors	Group employees, companies or entities	Other related parties	Total
Customers and trade receivables	--	--	--	--	--
Loans and credit facilities granted	--	--	--	--	--
Other collection rights	--	--	--	--	--
Total balance receivable	--	--	--	--	--
Loans and credit facilities received	--	--	--	--	--
Other payment obligations	--	--	--	35	35
Total balance payable	--	--	--	35	35



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Remuneration and other benefits

A. Board of Directors

In 2020 the remuneration accrued by the members of the Company's Board of Directors, and taking into account that this remuneration is taken from the perspective of the Parent and its subsidiaries, totalled, in euros, the sum indicated in this Note.

According to article 31 of Articles of Association, the remuneration for Directors will consist in a fixed annual allocation determined for their membership of the Board of Directors and any Committees on which each Director may sit. The amount of the remuneration to be paid by the Company to the Directors as a whole for belonging to the Board of Directors and its Committees will be that determined for this purpose by the General Meeting of Shareholders. Once established, this amount shall remain in force until such time as it may be amended, and the Board of Directors may reduce the amount in the financial years where this is considered convenient.

The Board of Directors determines the exact amount to be paid within that limit and its distribution among the different Directors, with consideration being given to the functions and responsibilities of each member, sitting on the Board's committees and any other unbiased circumstances considered relevant by the Board.

Regardless of the provisions contained in section above, the remuneration deriving from membership of the Board of Directors shall be compatible with any other remuneration (fixed salary; variable bonuses depending on the attainment of business, corporate and/or performance goals; compensation for removal of the Director for reasons other than the failure to perform his or her duties; welfare systems; deferred remuneration items) that, following a proposal by the Appointments and Remuneration Committee and by resolution passed by the Board of Directors, could correspond to the Director for the performance of other functions in the Company, be they senior management executive functions or otherwise, apart from those of joint supervision and decision-taking carried out as mere members of the Board.

Following a resolution adopted by the General Shareholders' Meeting with the legally required scope, Executive Directors may also be remunerated through the delivery of shares or share option rights, or by means of any other remuneration referenced to the value of the shares.

Furthermore, art. 55 of the Regulations for the Board of Directors establishes that the Board determines the system for distributing the remuneration for Directors within the framework established in the Articles of Association.

The decision must take into account the report issued for the purpose by the Appointments and Remuneration Committee.

The Board of Directors shall strive to ensure that the Directors' remuneration is moderate and in line with that paid on the market in companies of a similar size and business activity, with preference for those formats relating a significant portion of the remuneration to their dedication to Acciona.

The system for remuneration of independent directors will strive to serve as a sufficient incentive for their dedication without compromising their independence.

The remuneration of external directors representing substantial shareholders for their performance as Directors must be proportional to that of other Directors and shall not represent any favoured treatment in the form of remuneration of the shareholder(s) designating them. The remuneration system will establish similar remuneration for comparable functions and dedication.

As regards remuneration of executive directors, article 55 bis of the Regulations establishes that the Board of Directors must try and ensure that the remuneration policies in force at each time include for variable remuneration necessary technical safeguards to make sure that such remuneration is in line with the professional performance of its beneficiaries and does not arise simply from the general trend of markets or of the company's business sector or from other similar circumstances. The remuneration of directors must be transparent.

The General Shareholders' Meeting approved the Directors Remuneration Policy for the years 2018-2023, without prejudice to the fact that amendments introduced by the Policy shall apply to remuneration accrued from the date the Policy was approved. In this regard, the directors' remuneration policy for 2021, 2022 and 2023 was approved as a separate item on the agenda for the General Shareholders' Meeting of 28 May 2020 in accordance with the provisions of article 529 of the Spanish Capital Companies Act and article 31.5 of Acciona's Articles of Association, which establish the obligation to approve the directors' remuneration policy at least every three years as a separate item on the agenda.

In any case, any remuneration received by Directors will be in accordance with the Directors' Remuneration Policy in force at all times, except for the remuneration expressly approved by the General Shareholders' Meeting.

The Remuneration Policy approved at the Meeting and according to Article 31.2 of the Acciona's Articles of Association establishes: a) the maximum amount of remuneration payable per year to the directors in aggregate for their duties as such is 1,700,000 euros; b) except where the General Shareholders' Meeting establishes otherwise, the distribution of the remuneration among the directors will be decided by the Board of Directors, having consideration for the functions and responsibilities of each director, whether they belong to Board committees, and other objective circumstances that it considers to be relevant.

The Board of Directors resolved, at the proposal of the Appointments and Remuneration Committee, to set annual amounts for membership of the Board of Directors and its Committees as follows: a) Executive directors shall not receive remuneration for their membership of the Board of Directors, and therefore their remuneration shall be that which corresponds to their executive functions; b) if an executive committee ceases to exist then the remuneration for membership to such a committee is removed; c) the remuneration for membership of non-executive directors to the board is set at 100,000 euros; d) the remuneration for membership to the Committees is changed, which is set at 70,000 euros for the audit committee, 55,000 euros for the appointments and remunerations committee, and 50,000 euros for the sustainability committee; e) the additional remuneration for holding the position of Independent Coordinating Director is set at 30,000 euros; and f) the additional remuneration for chairing the committees is set at 18,000 euros for the audit committee, 11,000 for the appointments and remunerations committee, and 8,000 euros for the sustainability committee.

After a detailed analysis of the remuneration received at international companies and those included on the IBEX 35 index, the Appointments and Remuneration Committee considered the remuneration to be in line with what was paid on the market in companies of a similar size in the same business area, that similar remuneration was paid for comparable functions and dedication and, without compromising independence, remuneration is an adequate incentive for the engagement of directors in the different committees.

The total remuneration paid to the members of the Board for discharging their duties as Company directors in 2020 amounted to 1,496 thousand euros (1,492 thousand euros in 2019). This amount is broken down in thousand euros, by member of the Board of Directors, in the following way:

	Fixed remuneration	Remuneration for membership of Board Committees	Total 2020	Total 2019
Mr. Daniel Entrecanales Domecq	100	58	158	158
Mr. Jerónimo Marcos Gerard Rivero	100	55	155	155
Mr. Juan Carlos Garay Ibargaray	100	163	263	272
(**) Ms. Belén Villalonga Morenés	--	--	--	41
Mr. Javier Entrecanales Franco	100	50	150	150
Mr. Javier Sendagorta Gómez del Campillo	100	55	155	155
Ms. Ana Sainz de Vicuña Bemberg	100	95	195	182
Ms. Karen Christiana Figueres Olsen	100	70	170	170
Mr. José María Pacheco Guardiola	100	50	150	150
(*) Sonia Dulá	100	--	100	59
Total			1,496	1,492

(*) Directors joining the Board in 2019.

(**) Directors leaving the Board in 2019.

The remuneration in cash paid to Directors for the performance of senior management executive functions and for being members of the Board was 27,357 and 5,111 thousand euros in 2020 and 2019, respectively. In addition, they have received remuneration in kind amounting to 97 and 102 thousand euros in 2020 and 2019, respectively.

The Board of Directors, on 10 December 2020, after the Audit Committee and the Appointments and Remuneration Committee had submitted their respective proposals, agreed on the terms and conditions relating to the settlement of the 2014-2019 Long-Term Incentive Plan (LTIP). The Appointments and Remuneration Committee submitted a proposal to the Board of Directors to carry out the corresponding specific allocation of Company shares, determining a degree of achievement of the incentive of 139.76%, with the total number of shares to be allocated to executive directors being 363,373, corresponding to the entire period of the LTIP 2014-2019, that is, six (6) years.

After discounting the 130,121 shares delivered in the “2017 milestone”, the board determined that the remainder, that is, 233,252 shares of Acciona, SA would be distributed among the executive directors based on their respective performance, resulting in the following allocation:

- Chairman: 145,783 shares.
- Vice Chairman: 87,469 shares.

The 2020 General Shareholders’ Meeting agreed on item four, with the favourable vote of 99.9% of the capital present and represented at the Meeting, to the modification, if applicable, of the settlement system for the 2014 Plan for Delivery of Shares and Performance Shares; this modification is to allow the incentive to be settled on an annual or multi-year basis for beneficiaries entitled to receive Company shares through the delivery of other Company assets, such as shareholdings in Bestinver Investment Funds, listed shares of other companies where Acciona holds a significant stake, or any other asset that the Board of Directors may consider suitable at market value according to an independent expert's valuation, as well as in cash, keeping the rest of the terms and conditions established by the 2014-2019 LTIP in force.

After approval by the General Shareholders’ Meeting, the Board unanimously agreed to initiate the independent expert valuation process for the shares of Grupo Bodegas Palacio 1894, S.A.U.; the purpose of which was the possible substitution of Acciona, S.A. shares for Grupo Bodegas Palacio 1894, S.A.U. shares as settlement for the LTIP. As established in Article 46.2 of the Board Regulations, Audit Committee hired an independent expert and supervised the entire valuation process.

The Audit Committee hired and supervised the reports of different independent experts and, taking the average of the two highest valuations into account, submitted a valuation proposal to the Board of Directors for a total value of Grupo Bodegas Palacio 1894 SAU of 32.35 million euros.

The Board of Directors set the value of the 233,252 shares of Acciona SA at 26,357,476 euros (a value of 113 euros per share, corresponding to the share price of Acciona, SA at the market close on 10 December 2020) and proposed the delivery of 3,564,794 shares of Grupo Bodegas Palacio 1894, SAU, representing 81.48% of its share capital and a value of 26,357,476 euros, according to the following breakdown:

- Chairman: 2,227,778 shares of Grupo Bodegas Palacio 1894, S.A.U.
- Vice Chairman: 1,337,016 shares of Grupo Bodegas Palacio 1894, S.A.U.

The executive directors accepted the proposal presented by the Board of Directors.

For the purposes of substituting the assigned shares for Grupo Bodegas Palacio 1894 SAU shares, the following valuation criteria have been taken into account: the market value of said assets at the settlement date, which is equivalent to the market value of the shares on said date.

In this sense, the valuation of these shares of Grupo Bodegas Palacio 1894 SAU, as agreed by the Shareholders' Meeting, coincides with the market value of Acciona SA shares that correspond to the executive directors according to the settlement of the 2014 Plan agreed by the Board of Directors. This equivalence has been made by an independent expert appointed by the Audit Committee, who, as established in Article 46.2 of the Regulations of the Board of Directors, has verified that all the necessary measures have been complied with to ensure that the operation was carried out under market conditions.

Additionally, in 2020, 8,675 shares have been delivered to the Executive Directors, of those corresponding to the shares that were assigned in 2017 and whose delivery was deferred linearly for a period of three years, equivalent to 20% of the total concession. The corresponding breakdown is as follows:

- Chairman: 5,422 shares.
- Vice Chairman: 3,253 shares.

The amount of the shares delivered was 980 and 799 thousand euros in 2020 and 2019 respectively, equivalent to the number of actions multiplied by the market value at the date of delivery.

The Independent director Sonia Dulá is a Non-executive director and Chairman of the Board of Directors of the companies in the Bestinver subgroup following her appointment on 22 July 2019. Only the position at Bestinver, S.A. (within the entire Bestinver subgroup) is remunerated, and the amount accrued in 2020 for the period in office is 100 thousand euros.

In 2014, the Company implemented a savings plan related to a term life assurance, permanent disability in the degrees of total, absolute and grand invalidity, and death ("Savings Plan") aimed solely and exclusively at the Company's Executive Directors. The basic characteristics of the plan are as follows:

- a) It is a social welfare system based on a defined contribution.
- b) It is a system endowed externally through the payment by the Company of annual premiums to an insurance company with the Participant as the beneficiary, for the coverage of survival and the risk contingencies, i.e.: (i) death and (ii) permanent disability in the degrees established in the Regulations.
- c) Should the Participants cease to occupy positions as Executive Directors of Acciona for any reason, the Company shall cease to pay the premiums to the Savings Plan on the date on which they indisputably cease to hold their position, without prejudice to any economic rights recognised to Participants.

- d) The payment of the Benefit arising out of the Savings Plan will be made directly by the insurance entity to the Participants, net of any corresponding withholdings or payments on account of personal Income Tax that may be applicable in each case and payable by the beneficiary of the Benefit. For the rest of the contingencies, the payment of the Benefit will also be made directly by the insurance entity to any entitled parties.
- e) The status of Participant in the Savings Plan will be lost should any of the following circumstances arise: i) occurrence of any of the risk contingencies covered and collection of the Benefit; ii) attainment of the age of 65 years; iii) removal from the position of Executive Director of Acciona for any reason other than those indicated above.
- f) Consolidation conditions. The beneficiary of the Savings Plan shall be the Company under the following two situations:
 - a. If the participant is removed from the position of Executive Director of Acciona due to resignation for voluntary causes.
 - b. If the participant is removed from the position of Executive Director for breaching their duties or for an act or omission that harms the Company, or is sentenced with a final verdict issued by a judicial authority.

In these cases, the participants shall lose all economic rights accumulated in the Savings Plan and therefore, may not receive any benefit arising from the Plan.

The contributions to the Savings Plan in 2020 and 2019 in favour of the Executive Directors came to 2,613 and 4,913 thousand euros, respectively. These contributions in 2019 included 100% of the fixed annual salary and an additional amount arising from extraordinary contributions to the Savings Plan related to part of the variable remuneration in 2019.

The accumulated value at 31 December 2020 of the savings systems with non-consolidated economic rights of Executive Directors amounted to 27,555 thousand euros.

No obligations have been entered into in connection with pensions with respect to former and current members of the Board of Directors. Nor have any advances, credits or guarantees been given in favour of the members of the Board of Directors, except as indicated in this note.

In financial years 2020 and 2019 the directors of the Parent Company did not receive any remuneration for being members of other boards and/or senior management of Group Companies, except as indicated for Ms Sonia Dulá in relation to the Bestinver subgroup.

The total remuneration of members of the board of directors of Acciona, S.A., including remuneration for executive functions, was 56,388 and 7,503 thousand euros in 2020 and 2019, respectively.

A. Senior Management

Senior Management includes those people forming the top two levels of the Acciona group's management and the Corporate Internal Audit Director. This classification is for information purposes only and without prejudice to their specific employment relationship.

The remuneration of the Company's General Managers and people discharging similar duties, excluding those who are simultaneously members of the Board of Directors (whose remuneration is disclosed above), and bearing in mind that this remuneration is taken from the perspective of the Parent Company and subsidiaries, in 2020 and 2019 is summarised as follows:

Type of remuneration	2020	2019
Number of people	38	37
Remuneration (thousand euros)	24,385	22,659

The figures for 2020 appearing as remuneration included the amounts related to compensation paid to the executives that left the company every year, for termination of their employment relationship.

The civil liability premium for directors and executives as paid in 2020 amounted to 1,418 thousand euros.

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

The General Shareholders' Meeting of 28 May 2020 approved a long-term incentive plan linked to the creation of value aimed at the executive directors of Acciona, SA, which will be called the "2020-2029 Long-Term Incentive Plan Linked to the Creation of Value directed at the Executive Directors of Acciona, S.A." or "2020 LTIP", the main characteristics of which are as follows:

(A) Beneficiaries of the plan: The directors of Acciona, S.A. who, at the date the Plan is approved, perform the most senior management functions of the Acciona Group as executive directors.

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

(C) Metrics used to measure the creation of value:

(i) The rate ("TSRR") of total shareholder return ("TSR") as benchmark indicator for measuring the creation of value.

TSR will be calculated as the difference between the initial value of 100% of the current capital of ordinary shares of Acciona, S.A. and the final value of the same investment, adding the difference of the gross dividends received by a shareholder maintaining the investment at 100% of capital for the 2020-2029 period of the plan, without a financial update of the respective values.

The initial value and final value will be calculated taking into account (for calculation of the initial value) the weighted average by daily volume of the weighted average prices of the Acciona, S.A. shares corresponding to the market sessions in the months of October, November and December 2019, and (for calculation of the final value) the weighted average by daily volume of the weighted average prices of the Acciona, S.A. shares corresponding to the market sessions in the months of October, November and December 2029.

It is stated for the record that the weighted average by daily volume of the weighted average prices of the Acciona, S.A. shares corresponding to the market sessions in the months of October, November and December 2019 amounts to 92.84 euros. Consequently, the initial value taken as a reference to calculate the TSR is 92.84 euros.

(ii) The weighted average capital cost (“WACC”) as minimum profitability rate; that is, as minimum TSRR above which value will be deemed to have been created for shareholders of Acciona, S.A.

The WACC will be calculated as the average rate of the WACC used to finance in consolidated terms the assets and activity of Acciona, S.A. And its group for each of the ten years the plan covers, with each annual WACC having been calculated at 31 December each year as the average rate of the WACC corresponding to each of the twelve months of the year in question (calculated on annual basis at the last day of each month).

(D) Calculation of the incentive: Both indicators (TSR and the corresponding TSRR, and WACC) will be calculated at the conclusion of the plan for the 2020-2029 period of reference and only in the event the TSRR exceeds the WACC, the Board of Directors, acting on a proposal from the Appointments and Remuneration Committee, (i) will determine the aggregate amount of the incentive to be paid to executive directors, which will be equivalent to 1% of the TSR achieved at the end of the period and (ii) will decide on the distribution of the resulting amount among the executive directors according to criteria that weight the relative contribution of each of them to the achievement of value creation for the shareholders of Acciona, S.A. during the term of the Plan.

(E) Payment of the incentive and deferral: The incentive will be paid in full in cash as follows: (i) 80% in 2030, following the drawing up of the consolidated financial statements for 2029 for Acciona and its group in relation to which an audit report without qualifications is issued, and (ii) the remaining 20% in 2031, following the drawing up of the consolidated financial statements for 2030 for Acciona and its group in relation to which an audit report without qualifications is issued, provided that, during the deferral period, in the opinion of the Board of Directors, acting on a proposal of the Appointments and Remuneration Committee, none of the malus scenarios indicated in section (F) below has arisen.

(F) Malus and claw back: Acciona, S.A. may claim from executive directors within three (3) years following each date on which an incentive payment has been made (including payment of the part of the incentive paid on a deferred basis) the clawback of all or part of the part of the incentive paid to the executive director if, during the three (3) year period in question, any of the following malus scenarios has arisen, in the opinion of the Board of Directors, acting on a proposal of the Appointments and Remuneration Committee: (i)

the executive director commits a serious breach of his/her duties of diligence or loyalty pursuant to which he/she must discharge his/her duties in Acciona, S.A., or due to any other serious and culpable breach of the obligations that the executive director has assumed by virtue of his/her contracts with Acciona, S.A. for the performance of executive functions, (ii) it is confirmed that the executive director has received the incentive under the plan based on data that is subsequently shown to be manifestly inaccurate, or (iii) the 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: In the event that the commercial relationship of an executive director with Acciona, S.A. is terminated, or the delegation of executive functions is revoked, at any time during the validity of the plan (that is, between 1 January 2020 and 31 December 2029, both inclusive) for reasons not attributable to the director, the plan will be settled prematurely in relation to the two executive directors. Moreover, the plan will be settled prematurely in the event of the voluntary resignation of the executive director as of the 4th year of validity of the plan, with settlement of part of the incentive that, if applicable, corresponds to the executive director according to the 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 resignation takes place (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 on a proposal of the Appointments and Remuneration Committee, may decide, in view of the best interests of Acciona at that time, that the plan will remain in force in relation to the executive director that is unaffected.

The incentive will only accrue if, at 31 December of the year prior to the one in which the reason not attributable to the executive director arises or of the voluntary resignation of the executive director, the TSR exceeds the WACC figure with the period in question being used as the time benchmark.

Other possible extraordinary incentives:

The Board of Directors, at the proposal of the Appointments and Remuneration Committee, may submit other extraordinary incentive plans to the approval of the General Shareholders' Meeting to respond to the circumstances of the business or corporate operations that it deems necessary.

Plan for the Delivery of Shares and Performance Shares

The General Shareholders' Meeting held on 24 June 2014 approved the following agreement:

A) To extend the term of validity of the Shares and Options Delivery Plan to Acciona group's management, including Executive Directors, as was approved by the General Shareholders' Meeting of Acciona, S.A. on 4 June 2009, for application in financial years 2014 to 2019, and to increase the maximum number of shares available by 200,000 shares.

B) To authorise the Board of Directors of the Company so that it may, to all the extent required by law and upon proposal by the Appointments and Remuneration Committee, amend the Plan Regulations under the terms and conditions that the Board considers convenient, establishing delivery conditions and times, accrual periods, allocation criteria and limits and any other aspect that the Board considers relevant, in order to align further the long-term interests of the Company's Executive Directors and other executives of the Acciona Group with those of the shareholders of Acciona, S.A., and thus boost their motivation in the attainment of higher value and long-term stability for the group, and consolidate their loyalty and permanence in the Group.

Pursuant to that authority, on 26 February 2015 the Board of Directors approved, upon proposal by the Appointments and Remuneration Committee, to amend the Plan Regulations, drawing up a new one whose term of validity covers the six-year period from 2014 to 2019, both inclusive. In addition, and making use of the approval of the General Shareholders' Meeting on 18 May 2017, following a proposal from the Appointments and Remuneration Committee, the Board of Directors approved an additional amendment to the Plan Regulations at their meeting held on 14 December 2017 with the aim of adapting it to corporate governance best practices regarding deferral, malus and clawback on the variable remuneration of executive directors, and to the principles and guidelines contained in the Directors Remuneration Policy approved by the General Shareholders' Meeting. In addition, the duration of the Plan is extended for an additional two years (i.e. up to and including 2021) only for directors (excluding Executive Directors), and subject to the full discretion of the Board of Directors and after a report from the Appointments and Remuneration Committee, the possibility to assign and deliver extraordinary Acciona shares is also introduced for multi-year periods (a minimum of three (3) years) to one or several Beneficiary Directors (other than Executive Directors) for achieving extraordinary results.

In relation to long-term variable remuneration, the minority shareholders, in line with the recommendations of the Proxy Advisors, had repeatedly stated in their votes at the General Shareholders' Meetings their preference for the variable remuneration of the Executive Chairman not to be paid in shares of ACCIONA, S.A. since they considered that, in this case, the advantages of this remuneration system did not exist since the interests of the executive directors were already aligned with the interests of the company.

In response to this recommendation and the vote of the minority shareholders, the 2020 General Shareholders' Meeting agreed on item four, with the favourable vote of 99.84% of the share capital present or represented at the Meeting which came to 83.4%, to the modification, if applicable, of the settlement system for the 2014 Plan for Delivery of

Shares and Performance Shares; this modification is to allow the incentive to be settled on an annual or multi-year basis for beneficiaries entitled to receive Company shares through the delivery of other Company assets, such as shareholdings in Bestinver Investment Funds, listed shares of other companies where Acciona holds a significant stake, or any other asset that the Board of Directors may consider suitable at market value according to an independent expert's valuation, as well as in cash, thus avoiding affecting the liquidity of the Company's shares on the market and keeping the rest of the terms and conditions established by the 2014-2019 LTIP in force.

The main features of the Plan for Delivery of Shares and Performance Shares are as follows:

A) Purpose of the Plan:

The purpose of the 2014 Plan for Delivery of Shares and "Performance Shares" is to remunerate management, including the Executive Directors of Acciona in such a manner as to boost the attainment of strategic business objectives to the benefit of the Company's shareholders, and the loyalty and permanence of executives.

B) Strategic indicators and objectives to achieve

B) Strategic indicators and objectives to achieve. Achievement of objectives will be based on business strategic indicators, which have been defined by the Board of Directors for financial years ranging from 2014 to 2019.

C) Plan beneficiaries

C.1. – Executive Directors

Reference period: The reference period of the business strategic indicators will be the 2014-2019 six-year period, although, for allocation of "performance shares", the whole period from the start of the 2014 Plan application period to the end of the previous financial year will be considered.

"Performance shares" allocation: Upon completion of each financial year, the Board of Directors may assess the extent to which the long-term strategic objectives have been achieved up to that point.

The final allocation of treasury shares to Executive Directors will take place (a) at the end of the whole 2014 Plan period (in 2020) upon consideration of the assessment made for the whole 2014-2019 period and (b) at a midpoint milestone, in 2017, upon completion of the first three 2014-2016 financial years, upon consideration of the assessment made on the first 2014-2016 three-year period.

Permanence condition: Delivery of the shares finally allocated to Executive Directors is dependent on the fact that the Executive Director has not ceased to perform his/her senior management duties in Acciona or its Group for reasons attributable to the Director in question, according to the terms set out in the Plan Regulations.

In no event may the number of allocated shares exceed, together with those allocated under the 2014 Plan, the maximum number available approved by the General Meeting.

The actual share delivery date in accordance with the provisions in the preceding sections shall be determined by the Board of Directors and in any case, it shall be done after the General Shareholders' Meeting of the year in which the shares are to be delivered has taken place. Delivery of 20% of the shares that the Executive Directors have a right to receive shall be subjected to a minimum deferral period of one (1) year, and its accrual shall be subject to their permanence as an Executive Director as detailed in the Regulations, and on there not being any causes that in the opinion of the external auditors could lead to a material restatement of the Acciona Group's consolidated financial statements, as determined by the Board of Directors following a proposal by the Appointments and Remuneration Committee, except when this arising from an amendment to accounting standards.

Shares delivered in 2017 are subject to an option for Acciona to buy them back: Treasury shares delivered to Executive Directors in 2017 (in relation to financial years 2014, 2015 and 2016) have been subjected to Acciona's right to buy them back, a right that can be exercised if the Executive Director acquiring the shares ceases to perform his/her senior management duties in Acciona or its group before 31 March 2020 for breach of his/her contractual obligations or resignation of his/her own free will.

In addition, during the three (3) years following the date on which the shares are delivered, Acciona could request the Executive Directors to: (i) return the shares and/or amounts paid when the corresponding calculations had been done based on data which has been proven to be manifestly misstated, and (ii) return the shares and/or amounts paid and/or not be paid the amounts that they are entitled to, in cases where the director has incurred a serious breach in their duties of diligence or loyalty in line with their position in Acciona, or for any other serious and negligent breach of the obligations that the Executive Directors have assumed under the contracts signed with Acciona in order to fulfil their executive functions.

With regards to shares to be delivered to Executive Directors in 2020, as applicable, and only in respect of the number of Shares equating to two times the annual fixed remuneration, these shares cannot be (a) disposed of, encumbered or used under any title (except for mortis causa), and (b) no option right can be set up over them, until three (3) years have passed since the shares were allocated.

Executive Directors may however contribute shares which have been delivered to them to companies controlled or owned by the Executive Director. In these cases, Acciona shall adopt the necessary guarantees, including real guarantees, to ensure compliance with the provisions of the Regulations, and in any case, the beneficiary company receiving the shares which is controlled or owned by the Executive Director, must do so within reason and is bound to comply with the guarantees or limitations granted in favour of Acciona.

C.2. – Group’s Executives

For the other beneficiaries that are not executive directors, the Board of Directors will approve, upon considering proposal by the Appointments and Remuneration Committee, the amount for separate variable remuneration to be paid through delivery of the Acciona’s treasury shares allocated for each financial year to each executive that benefits from the 2014 Plan other than Executive Directors.

The allocation may be implemented through a number of treasury shares or in a cash amount. In the latter case, the equivalent number of shares will be based on the closing price on the last day of trading of March of the year when the Board of Directors determines the allocation. In no event will the number of allocated shares thus quantified exceed, together with the other shares allocated under the 2014 Plan, the maximum number approved by the General Meeting.

Treasury shares delivered to these Beneficiaries are subject to Acciona’s right to buy them back, a right that can 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 delivery takes place, for reasons attributable to the Beneficiary. The Board of Directors may extend to a reduced group of executives the “performance share” and/or shares allocation system established for executive directors, with the changes as can be proposed by the Appointments and Remuneration Committee regarding interim allocation, tax system, objectives, midpoint milestones and delivery times, with the purpose of increasing their motivation in the attainment of higher value and long-term stability for the group, as well as consolidating their loyalty and permanence in the Group.

The 2014 Plan does not provide for the possible sale of shares delivered in order to pay the tax incurred by the Beneficiary as a result of such delivery. The cost of the payment on account of the 2014 Plan performance shall not be passed on to the beneficiaries, and the Company shall assume the tax cost that this payment may have on the personal income tax of the beneficiaries with the established limits.

D) Number of shares available for the Plan

Initially, the maximum number of shares that could be allocated to the Beneficiaries in application of the 2014 Plan was fixed at 258,035, although it could be increased by resolution of the General Shareholders’ Meeting.

In this respect, the General Shareholders’ Meeting held on 11 June 2015, 10 May 2016, 18 May 2017 and 30 May 2018 agreed to increase the maximum number of shares available for the “2014-2019 Plan for Delivery of Shares and Performance Shares” by 100,000 for each year, without affecting later increases if so proposed by the Board of Directors and approved by the General Shareholders’ Meeting.

The amount of the 2014 Plan was paid to the Executive Directors in the form of the Company's own shares and in shares of Grupo Bodegas Palacio 1894.

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TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS
Nº. 10009

ACCIONA, S.A.

Notes for the year ended 31/12/2020

At the close of 2020 the maximum number of shares available was 433,286, after 26,231 were used in 2020 for delivery to executives other than Executive Directors, and 8,675 shares for Executive Directors which corresponded to the deferred delivery agreed in 2017.

In addition, the Board approved the delivery of 3,564,794 shares of Grupo Bodegas Palacio 1894, S.A., i.e. 81.48% of its share capital, to the Executive Directors in the following proportion:

- Chairman: 2,227,778 shares.
- Vice Chairman: 1,337,016 shares.

The 2014 Plan has been finalised for executive directors with no shares outstanding.

E) Recipients

The annual number of Recipients shall not exceed 100.

Plan to replace variable remuneration for shares

Upon proposal by the Appointments and Remuneration Committee, given the limited number of Beneficiaries of the former Plan, with the purpose of furthering and extending the objectives for building loyalty and retaining the Group's executives, on 26 March 2015 the Board of Directors approved the "Plan to Replace Variable Remuneration for Acciona shares, aimed to Acciona and its Group's management" (the Substitution Plan), excluding executive directors; the main characteristics of the plan are the following:

Aim: To retain and motivate the management team effectively and achieve higher alignment of their interests with those of the Company and its Group.

Initial duration: Six years (2014 to 2019). The plan has been finalised with the shares delivered in 2020.

Purpose: To offer discretionally the option of replacing or swapping, in whole or in part, variable remuneration in cash for Company shares to certain Acciona and its group's executives, according to a swap equation to be determined each year. Since 2015 and to date, the swap equation approved carried an incentive of 25% over the variable remuneration replaced.

Beneficiaries: The executives that the Board of Directors determines of its own free will. Executive Directors are excluded from this Plan.

Restrictions on the shares delivered: In general terms, the shares delivered cannot be (a) disposed of, encumbered or used under any title (except for mortis causa), and (b) no option right can be set up over them, or any other right limiting ownership or as security, until after 31 March of the third year following the year in which the shares in question were delivered to the Beneficiary.

Treasury shares transferred to these Beneficiaries, corresponding to the incentive and not to the portion of the shares related to the replaced remuneration as per the amendment approved on 29 February 2016 by the Board of Directors, are subject to Acciona's right to buy them back, a right that can 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 delivery takes place, for reasons attributable to the Beneficiary.

The Acciona share price to be taken as benchmark to determine the swap equation will be the closing price on the last day of trading of March of the year when the Board of Directors determines the allocation of the replacement option.

Shareholders Plan

The Board of Directors, following proposal by the Appointments and Remuneration Committee, with the purpose of facilitating participation in the company's shareholdings, approved on 28 February 2017 a new Plan that makes it possible to redistribute part of the variable and/or fixed money remuneration with the limit of 12,000 euros per year through delivery of shares in the Company in accordance with the current regulatory framework, which is favourable in terms of the fiscal treatment of this type of plan.

The plan is voluntary and it offers all employees with fiscal residence in Spain the opportunity of participating in the company's results by becoming shareholders. This Plan does not affect executive directors as their relationship is mercantile and not based on an employment contract. The shares were measured at the closing quotation price on 31 March 2020.

Finally, the number of shares delivered to Beneficiaries other than executive directors (57 Beneficiaries), under the **Plan for Delivery of Shares /Performance Shares**, in consideration of their dedication and performance in financial year 2020, was 26,231 shares at the fair value of 2,862 thousand euros.

Given that this plan accrues on a three-year basis, one third of the fair values mentioned above is reflected in "Personnel Expenses" on the accompanying income statement at 31

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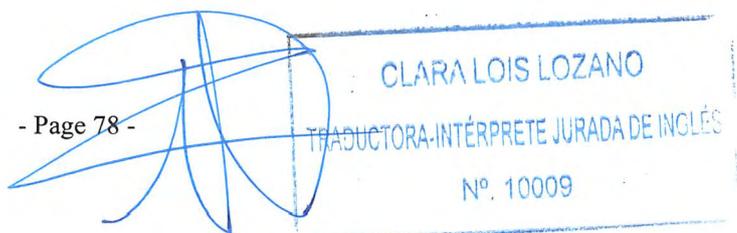
Notes for the year ended 31/12/2020

December. The other two thirds will be recognised on the income statements for financial years 2021 and 2022.

Finally, in application of the **Replacement Plan**, 12,953 shares in the Company were delivered in 2020, at the fair value of 1,261 thousand euros, to 29 executives of Acciona and its Group, in payment of part of their variable remuneration in cash in 2019.

The Company determined the fair value of the goods and services received by reference to the fair value of the equity instruments assigned.

There are no options that are susceptible of being exercised at the end of the period.



Detail of the individuals who held Senior Management positions in the Group (taking the Parent and subsidiaries into account as Senior Management) in 2020 was as follows:

Name or registered name	Position(s) held
Alcázar Viela, Jesús	LATAM Business Development Director - Infrastructures
Ancín Viguiristi, Joaquín	Director of Engineering & Construction - Energy
Anta Callersten, Carlos	Director of Organisation, Talent and Health
Arilla de Juana, Carlos	Operations Director - Infrastructure
Beltrán Núñez, Raúl	Internal Audit Director
Callejo Martínez, Alfonso	General Manager - Corporate Resources
Carrión López de la Garma, Macarena	Director of the Chairman's Office
Castilla Cámara, Luis	CEO Infrastructures
Castillo García, Joaquín	Development Director - Energy
Claudio Vázquez, Francisco Adalberto	Director of Studies and Contracting - Construction
Corella Hurtado, Olga	Finance Director - Infrastructures
Corral Fernandez, Nicolás	CEO Services
Cruz Palacios, Juan Manuel	Labour Relations and OSH Director - Infrastructures
Díaz-Caneja Rodríguez, José Luis	Water CEO
Ezpeleta Puras, Arantza	Director – Technology & Innovation
Fajardo Gerez, Fernando	Business Development Director - Infrastructures
Fernández López, Roberto	Labour Relations and OHS Director
Fernández-Cuesta Laborde, Raimundo	Director of Market Area and Investor Relations
Figueroa Gómez de Salazar, José Julio	Legal Director
Gutierrez Abarquero, David	Director - Economic Oversight and Tax Matters
Jiménez Serrano, Ramón	CEO Industrial - Construction
Marín García, Diego	CEO Concessions
Martínez Sánchez, Juan Manuel	Safety Director
Mateo Alcalá, Rafael	CEO Energy
Mollinedo Chocano, José Joaquín	Institutional Relations, Sustainability, Communications, and Brand
Moreno Lorente, Huberto José	CEO Construction
Muro-Lara Girod, Juan	Director - Strategy and Corporate Development
Noonan, Bede	CEO Infrastructure Australia & New Zealand
Otazu Aguerri, Juan	Production Director - Energy
Pan de Soraluze Muguiro, Andrés	CEO - Real Estate
Rego Prieto, Oscar Luis	Operations Director - Infrastructure
Rodríguez Hernández, José Luis	Director of Investees
Santamaría-Paredes Castillo, Vicente	Compliance Director
Soto Conde, Antonio	CEO Bodegas Palacio
Tejero Santos, José Ángel	CFO
Terceiro Mateos, José Manuel	Director of Economic Management
Vega-Penichet Lopez, Jorge	General Secretary
Vicente Pelegrini, Justo	CEO of Construction Spain

Detail of the individuals who held Senior Management positions in the Group (taking the Parent and subsidiaries into account as Senior Management) in 2019 was as follows:

Name or registered name	Position(s) held
Alcázar Viela, Jesús	General Manager Latin America - Infrastructure
Ancín Viguiristi, Joaquín	General Manager Engineering & Construction - Energy
Arilla de Juana, Carlos	Operations General Manager - Infrastructure
Beltrán Núñez, Raúl	Internal Audit Manager
Callejo Martínez, Alfonso	General Manager - Corporate Resources
Carrión López de la Garma, Macarena	General Manager - Office of the Chairman
Castilla Cámara, Luis	CEO - Infrastructures
Castillo García, Joaquín	Development Area General Manager - Energy
Claudio Vázquez, Adalberto	Contract Management and Studies Area General Manager - Infrastructure
Corella Hurtado, Olga	Finance Area General Manager - Infrastructure
Corral Fernandez, Nicolás	Area General Manager - Service
Cruz Palacios, Juan Manuel	Labour Relations and OSH General Manager - Infrastructure
Díaz-Caneja Rodríguez, José Luis	Area General Manager - Water
Ezpeleta Puras, Arantza	General Manager – Technology & Innovation
Fajardo Gerez, Fernando	Infrastructure Area General Manager - Australia and Asia
Fernández López, Roberto	Corporate Resources Area General Manager - Infrastructure
Fernández-Cuesta Laborde, Raimundo	General Manager – Market Area and Relations with Investors
Figuroa Gómez de Salazar, José Julio	Area General Manager – Legal Services
Gutiérrez Abarquero, David	Area General Manager - Economic Oversight and Tax Matters
Jiménez Serrano, Ramón	Area General Manager - Industrial
Marín García, Diego	Area General Manager – Concessions
Martínez Sánchez, Juan Manuel	Area General Manager - Corporate Security
Mateo Alcalá, Rafael	CEO - Energy
Mollinedo Chocano, José Joaquín	General Manager - Institutional Relations, Sustainability and Brand
Moreno Lorente, Huberto José	Area General Manager – Construction
Muro-Lara Girod, Juan	General Manager - Strategy and Corporate Development
Otazu Aguerri, Juan	Production Area General Manager - Energy
Pan de Soraluze Muguiro, Andrés	CEO - Real Estate
Rego Prieto, Oscar Luis	Procurement Area General Manager - Infrastructure
Rodríguez Hernández, José Luis	Area General Manager – Other Businesses and Investees
Santamaría-Paredes Castillo, Vicente	Area General Manager – Compliance
Silva Ferrada, Juan Ramón	Area General Manager – Sustainability
Soto Conde, Antonio	Area General manager - Grupo Bodegas Palacio 1894
Tejero Santos, José Ángel	General Manager - Economic and Financial Area
Terceiro Mateos, José Manuel	General Manager of Corporate Economic Management Area
Vega-Penichet Lopez, Jorge	General Secretary
Vicente Pelegrini, Justo	Area General Manager – Construction Spain


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16.4 Other information relating to Directors. Statement regarding conflicts of interest

Pursuant to Article 229 of Royal Legislative Decree 1/2010, of 2 July, whereby the consolidated text of the Capital Companies Act was approved, at 31 December 2020 and 2019, according to the information available to the Company and notified by Directors and their related parties, they were not involved in any situations of conflict, whether direct or indirect, with the Company's interests.

17. Environment-related information

Given the activities it develops, the Company has no liabilities, expenses, assets, provisions or contingencies of an environmental nature that could be material in relation to the Group's equity, financial position and results. For this reason, no specific disclosures are contained in these notes.

18. Other disclosures

18.1 Personnel

The average number of employees in financial years 2020 and 2019, by category, was as follows:

Categories	2020	2019
Management and supervisors	96	154
Qualified technical personnel	93	170
Clerical and support personnel	31	52
Other employees	13	3
Total	233	379

Distribution by gender in the course of 2020 and 2019, broken down by category at the close of the year, was as follows:

Categories	2020		2019	
	Men	Women	Men	Women
Management and supervisors	56	41	95	59
Qualified technical personnel	47	46	80	90
Clerical and support personnel	6	24	19	33
Other employees	11	2	2	1
Total	120	113	196	183

3.97 % of the group's headcount had a disability equal to or over 33%, mostly under the category of clerical and support personnel, in financial year 2020 (3.96% in 2019).

18.2 Auditor's fees

In financial years 2020 and 2019, the fees for financial statement auditing services and other services provided by the Acciona, S.A.'s auditor, KPMG Auditores, S.L. or by companies belonging to the KPMG network have been the following:

	Services provided by the main auditor		Services provided by other audit firms	
	2020	2019	2020	2019
Auditing services	578	629	--	--
Other verification services	268	247	93	795
Total audit and related services	846	876	93	795
Tax advisory services	80	80	252	308
Other services	263	324	3,845	2,764
Total professional services	343	404	4,097	3,072

The fees for the services provided by the audit firm KPMG Auditores, S.L. for the annual financial statements amounted to 578 thousand euros in 2020 (629 thousand euros in 2019), for Other verification services and Other services including limited reviews of interim financial statements, comfort letter services relating to securities, reports on agreed-upon procedures for the certification of financial ratios, and the review of section F of the Internal Control System for Financial Information reports amounted to 268 thousand euros in 2020 (247 thousand euros in 2019).

Information relating to non-audit services provided by KPMG Auditores, S.L. to companies controlled by Acciona, S.A. for the year ended 31 December 2020 and 2019 is included in the consolidated financial statements of Acciona, S.A. and subsidiaries at 31 December 2020.

19. Events after the reporting period

Royal Decree 1/2021 of 12 January was published on 30 January 2021, amending the General Accounting Plan approved by Royal Decree 1514/2007 of 16 November. The changes to the Spanish General Accounting Plan are applicable to financial years beginning on or after 1 January 2021 and focus on the criteria for recognition, measurement and breakdown of revenue from the delivery of goods and services, financial instruments, hedge accounting, measurement of commodity inventories traded by intermediaries, and the definition of fair value. Also, the Resolution dated 10 February 2021 was published by the Spanish Accounting and Accounts Audit Institute on 13 February 2021, which establishes rules for the recording, valuation and preparation of the annual financial statements with regards to the recognition of income from the delivery of goods and the provision of services.

The Directors of the Company will carry out an assessment of the applicable transition options and, if applicable, the accounting impacts of these changes during the 2021 financial year.

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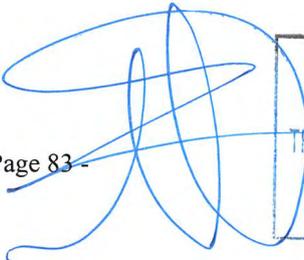
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Since the end of the 2020 financial year up to the date these financial statements are prepared, the Company has continued with the ordinary course of its business, and no significant events worthy of mention have occurred.

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APPENDIX I

GROUP COMPANIES

The subsidiaries of ACCIONA, S.A. considered as Group companies according to Standard 13 on the Preparation of Annual Financial Statements of the General Accounting Plan and the Article 42 of the Code of Commerce, and the information thereon at 31 December 2020, were the following (amounts in thousand euros):

NAME	LOCATION	DIVISION	AUDITOR (*)	INVESTMENT	PROVISION	NET CARRYING AMOUNT	DIRECT	INDIRECT	TOTAL SHAREHOLDING	DIVIDEND RECEIVED	SUBSCRIBED CAPITAL	RESERVES	OPERATING PROFIT/(LOSS)	ATTRIBUTED RESULT	INTERIM DIVIDEND	TRANSLATION DIFFERENCES	NON-CONTROLLING INTERESTS
ACCIONA AIRPORT SERVICES FRANKFURT, GMBH	GERMANY	SERVICES	A	5.636,8	--	5.636,8	100,00%	0,00%	100,00%	--	4.627,2	1.090,5	-5.206,5	-3.396,3	--	--	--
ACCIONA FINANCIACIÓN FILIALES S.A.	MADRID	OTHER ACTIVITIES	A	411.826,0	--	411.826,0	100,00%	0,00%	100,00%	--	82.413,2	525.230,7	16.256,7	71.123,6	--	--	--
ACCIONA INMOBILIARIA, S.L.	MADRID	OTHER ACTIVITIES	A	1.434.453,6	-462.391,5	972.062,1	100,00%	0,00%	100,00%	9.000,0	285.192,3	573.663,2	-454,3	10.190,6	-9.000,0	--	--
ACCIONA LOGÍSTICA, S.A.	MADRID	OTHER ACTIVITIES	A	326.888,2	-194.122,9	132.765,3	100,00%	0,00%	100,00%	--	75.699,6	58.414,7	-247,0	-1.752,1	--	--	--
ACCIONA MOBILITY GLOBAL, S.L.	MADRID	OTHER ACTIVITIES	A	318,5	--	318,5	100,00%	0,00%	100,00%	--	3,0	324,6	-21,5	-11,1	--	--	--
ACCIONA PRODUCCIONES Y DISEÑO S.A.	MADRID	OTHER ACTIVITIES	A	6.671,5	--	6.671,5	100,00%	0,00%	100,00%	--	1.051,8	7.679,1	3.100,2	2.805,9	--	-108,0	--
CENTRO DE SERVICIOS COMPARTIDOS DE ACCIONA SL	MADRID	OTHER ACTIVITIES	A	1.703,0	--	1.703,0	100,00%	0,00%	100,00%	--	176,0	3.308,9	-214,0	-601,3	--	--	--
APODERADA CORPORATIVA GENERAL, S.A.	MADRID	OTHER ACTIVITIES	A	60,1	-152,3	-92,2	100,00%	0,00%	100,00%	--	60,1	-509,8	-0,0	-19,8	--	--	--
APODERADA GENERAL DE SERVICE, S.A.	MADRID	OTHER ACTIVITIES	A	18.719,8	-18.433,8	286,0	100,00%	0,00%	100,00%	--	206,2	-14,1	-1,9	-0,6	--	--	--
BESTINVER GESTION S.C.I.I.C., S.A.	MADRID	OTHER ACTIVITIES	A	--	--	--	0,01%	99,99%	100,00%	0,3	330,6	12.068,9	53.830,4	40.296,0	-32.252,0	--	--
BESTINVER PENSIONES G.F.P., S.A.	MADRID	OTHER ACTIVITIES	A	--	--	--	0,00%	100,00%	100,00%	0,0	1.204,0	4.103,4	9.264,7	6.945,1	-6.026,0	--	--
BESTINVER SOCIEDAD DE VALORES, S.A.	MADRID	OTHER ACTIVITIES	A	--	--	--	0,01%	99,99%	100,00%	--	4.515,0	4.904,1	-388,6	-295,8	--	--	--
BESTINVER, S.A.	MADRID	OTHER ACTIVITIES	A	6.113,5	--	6.113,5	100,00%	0,00%	100,00%	42.155,9	6.207,0	27.045,5	-3.402,5	50.275,8	-43.537,7	--	--
CIRTOVER, S.L.	MADRID	OTHER ACTIVITIES	A	3,1	-3,1	--	100,00%	0,00%	100,00%	--	3,0	91,6	--	0,0	--	--	--
COEFISA, S.A.	SWITZERLAND	OTHER ACTIVITIES	A	710,8	--	710,8	100,00%	0,00%	100,00%	--	784,5	247,1	--	--	--	15,3	--
COMPANIA INTERNACIONAL DE CONSTRUCCIONES	MADRID	OTHER ACTIVITIES	A	1.318,1	--	1.318,1	100,00%	0,00%	100,00%	--	1.318,1	5.548,7	-5,4	-5,0	--	--	--
COPEVALORES, S.L.	MADRID	OTHER ACTIVITIES	A	55.778,7	--	55.778,7	100,00%	0,00%	100,00%	--	2.382,5	54.583,4	-0,0	645,2	--	--	--
CORPORACION ACCIONA ENERGÍAS RENOVABLES, S.L.	MADRID	ENERGY	A	2.917.223,8	-245.328,0	2.671.895,8	100,00%	0,00%	100,00%	100.000,0	329.250,6	2.020.942,7	-145,3	156.626,8	-100.000,0	--	--
CORPORACION ACCIONA INFRAESTRUCTURAS S.L.	MADRID	CONSTR. & ENG.	A	1.313.295,7	--	1.313.295,7	100,00%	0,00%	100,00%	--	92.503,0	1.226.576,9	-14.931,0	71.017,2	-30.000,0	-10,8	--
DREN, S.A.	MADRID	OTHER ACTIVITIES	A	1.335,5	--	1.335,5	100,00%	0,00%	100,00%	--	1.001,6	665,1	-0,1	13,3	--	--	--
ENTIDAD FINEN, S.A.	MADRID	OTHER ACTIVITIES	A	4.507,6	-2.936,7	1.570,9	100,00%	0,00%	100,00%	--	183,1	1.387,4	--	0,0	--	--	--
FINANZADOS, S.A.	MADRID	OTHER ACTIVITIES	A	6.625,9	-5.168,6	1.457,3	100,00%	0,00%	100,00%	--	691,0	788,1	--	11,1	--	--	--
FINANZAS Y CARTERA DOS, S.A.	MADRID	OTHER ACTIVITIES	A	159,7	-38,8	120,8	100,00%	0,00%	100,00%	--	34,3	86,3	--	0,0	--	--	--
FINANZAS Y CARTERA UNO, S.A.	MADRID	OTHER ACTIVITIES	A	15,0	-12,2	2,8	100,00%	0,00%	100,00%	--	5,4	-7,8	-3,2	-1,2	--	--	--
GESTION DE RECURSOS CORPORATIVOS, S.L.	NAVARRA	OTHER ACTIVITIES	A	3,4	-3,4	--	100,00%	0,00%	100,00%	--	5,0	-11,8	-0,4	-0,9	--	--	--
HOSPITAL DE LEON BAJIO, S.A. DE C.V.	MEXICO	CONCESSIONS	A	2.901,3	--	2.901,3	98,00%	2,00%	100,00%	--	2.960,4	24.424,9	4.993,0	2.481,1	--	-8.395,9	--
NEGOCIO EN FRECANALAS CUBIERTAS MEXICO, SA. DE CV	MEXICO	CONSTR. & ENG.	A	9,9	-9,9	--	0,00%	100,00%	100,00%	--	27.519,8	6.075,8	82,3	6.745,3	--	-10.468,4	--
S. CLAZ TRAMO 2, S.A.	GUADALAJARA	CONCESSIONS	A	14.876,0	-13.527,3	1.348,7	100,00%	0,00%	100,00%	3.040,5	14.876,0	-6.535,0	3.622,4	2.088,9	--	--	--
Sociedad empresarial de financiación y comercio, S.L.	MADRID	OTHER ACTIVITIES	A	138,2	-138,2	--	100,00%	0,00%	100,00%	--	14,5	213,9	--	-6,0	--	--	--
TIBEST CUATRO, S.A.	MADRID	OTHER ACTIVITIES	A	13.522,8	--	13.522,8	100,00%	0,00%	100,00%	--	11.195,1	4.285,2	-0,3	121,6	--	--	--
TICRES, S.L.	MADRID	OTHER ACTIVITIES	A	18.249,3	-17.717,0	532,3	100,00%	0,00%	100,00%	--	2.701,6	-2.228,2	-0,0	-22,4	--	--	--
TOTAL GROUP COMPANIES				6.563.065,7	-959.983,7	5.603.082,0				154.196,6	949.115,4	4.554.443,8	66.127,6	415.275,0	-220.815,7	-18.967,9	

(*) Companies whose financial statements are audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young

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JOINT VENTURES, ASSOCIATES AND OTHER

The subsidiaries of ACCIONA, S.A. considered as joint ventures and associates according to Standard 13 on the Preparation of Annual Financial Statements of the General Accounting Plan, and the information thereon at 31 December 2020, were the following (amounts in thousand euros):

NAME	LOCATION	DIVISION	AUDITOR (*)	INVESTMENT	PROVISION	NET CARRYING AMOUNT	DIRECT	INDIRECT	TOTAL SHAREHOLDING	DIVIDEND RECEIVED	SUBSCRIBED CAPITAL	RESERVES	OPERATING PROFIT/(LOSS)	ATTRIBUTED RESULT	INTERIM DIVIDEND	TRANSLATION DIFFERENCES	NON-CONTROLLING INTERESTS
CONSORCIO TRAZA, S.A.	ARAGON	CONCESSIONS	D	6.647,2	--	6.647,2	16,60%	0,00%	16,60%	--	575,0	-8.630,5	-741,3	-6.544,3	--	--	5.927,9
CONSTRUCTORA NECSO SACYR CHILE	CHILE	CONSTR. & ENG.		0,0	-0,0	--	0,01%	49,99%	50,00%	--	17,8	-1.194,7	--	--	--	1.039,2	--
INFRAESTRUCTURAS RADIALES, S.A.	MADRID	CONCESSIONS		25.895,9	-25.895,9	--	22,50%	2,50%	25,00%	--	11.610,2	-398.253,3	--	--	--	--	--
NORDEX SE**	GERMANY	ENERGY	B	867.158,2	0,0	867.158,2	33,63%	0,00%	33,63%	--	106.680,2	656.610,7	-43.895,0	-107.478,0	--	-20.570,9	--
S.C. PUENTE DEL EBRO, S.A.	ARAGON	CONCESSIONS		6.692,5	-6.692,5	--	50,00%	0,00%	50,00%	--	13.385,0	-32.137,3	-430,1	-6.060,0	--	--	--
TOTAL JOINT VENTURES, ASSOCIATES AND OTHER				906.393,9	-32.588,4	873.805,4					137.768,7	216.394,9	-45.066,4	-120.082,3		-19.531,7	5.927,9

(*) Companies whose financial statements are audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young

(**) Corresponds to the last periodic public information issued by Nordex, S.E. on the Frankfurt stock exchange on 30 September 2020.



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GROUP COMPANIES

The subsidiaries of ACCIONA, S.A. considered as Group companies according to Standard 13 on the Preparation of Annual Financial Statements of the General Accounting Plan, the Article 42 of the Code of Commerce and the information thereon at 31 December 2019, were the following (amounts in thousand euros):

NAME	LOCATION	DIVISION	AUDITOR (*)	INVESTMENT	PROVISION	NET CARRYING AMOUNT	DIRECT	INDIRECT	TOTAL SHAREHOLDING	DIVIDEND RECEIVED	SUBSCRIBED CAPITAL	RESERVES	OPERATING PROFIT/(LOSS)	ATTRIBUTED RESULT	INTERIM DIVIDENDS	TRANSLATION DIFFERENCES	NON-CONTROLLING INTERESTS
ACCIONA AIRPORT SERVICES FRANKFURT, GMBH	GERMANY	SERVICES	A	5.636,8	--	5.636,8	100,00%	0,00%	100,00%	2.500,0	4.627,2	893,2	-104,7	197,2	--	--	--
ACCIONA FINANCIACIÓN FILIALES S.A.	MADRID	OTHER ACTIVITIES	A	411.826,0	--	411.826,0	100,00%	0,00%	100,00%	100.000,0	82.413,2	532.733,9	-709,1	105.114,9	-100.000,0	--	--
ACCIONA INMOBILIARIA, S.L.	MADRID	OTHER ACTIVITIES	A	1.434.453,6	-462.391,5	972.062,1	100,00%	0,00%	100,00%	45.000,0	285.192,3	555.322,5	12.331,0	60.086,6	-45.000,0	--	--
ACCIONA LOGÍSTICA, S.A.	MADRID	OTHER ACTIVITIES	A	326.888,2	-194.122,9	132.765,3	100,00%	0,00%	100,00%	--	75.699,6	58.456,9	911,4	-42,2	--	--	--
ACCIONA PRODUCCIONES Y DISEÑO S.A.	MADRID	OTHER ACTIVITIES	A	6.671,5	--	6.671,5	100,00%	0,00%	100,00%	500,0	1.051,8	5.619,6	2.885,3	2.559,6	-500,0	--	--
CENTRO DE SERVICIOS COMPARTIDOS DE ACCIONA SL	MADRID	OTHER ACTIVITIES	A	1.703,0	--	1.703,0	100,00%	0,00%	100,00%	--	3.406,0	--	628,6	110,0	--	--	--
APODERADA CORPORATIVA GENERAL, S.A.	MADRID	OTHER ACTIVITIES	A	60,1	-152,3	-92,2	100,00%	0,00%	100,00%	--	60,1	-490,3	-0,0	-19,5	--	--	--
APODERADA GENERAL DE SERVICE, S.A.	MADRID	OTHER ACTIVITIES	A	18.719,8	-18.433,8	286,0	100,00%	0,00%	100,00%	--	206,2	-14,2	-1,0	0,1	--	--	--
BESTINVER GESTION S.C.I.L.C., S.A.	MADRID	OTHER ACTIVITIES	A	0,0	--	0,0	0,01%	99,99%	100,00%	0,7	330,6	11.532,2	51.671,9	38.706,8	-24.090,0	--	--
BESTINVER PENSIONES G.F.P., S.A.	MADRID	OTHER ACTIVITIES	A	0,0	--	0,0	0,00%	100,00%	100,00%	0,2	1.204,0	3.587,6	10.125,0	7.593,7	-5.052,0	--	--
BESTINVER SOCIEDAD DE VALORES, S.A.	MADRID	OTHER ACTIVITIES	A	0,0	--	0,0	0,01%	99,99%	100,00%	--	4.515,0	4.956,7	-65,2	-52,6	--	--	--
BESTINVER, S.A.	MADRID	OTHER ACTIVITIES	A	6.112,9	--	6.112,9	100,00%	0,00%	100,00%	43.077,6	6.207,0	24.711,8	-1.372,5	44.140,3	-43.406,6	--	--
CIRTOVER, S.L.	MADRID	OTHER ACTIVITIES	A	3,1	-3,1	--	100,00%	0,00%	100,00%	--	3,0	91,6	--	0,0	--	--	--
COEFISA, S.A.	SWITZERLAND	OTHER ACTIVITIES	A	710,8	--	710,8	100,00%	0,00%	100,00%	--	784,5	521,1	-30,9	-274,1	--	10,3	--
COMPANIA INTERNACIONAL DE CONSTRUCCIONES	PANAMA	OTHER ACTIVITIES	A	1.353,4	--	1.353,4	100,00%	0,00%	100,00%	--	--	--	--	--	--	--	--
COPANE VALORES, S.L.	MADRID	OTHER ACTIVITIES	A	55.778,7	--	55.778,7	100,00%	0,00%	100,00%	--	2.382,5	53.872,7	-0,0	710,8	--	--	--
CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.L.	MADRID	ENERGY	A	2.917.223,8	-245.328,0	2.671.895,8	100,00%	0,00%	100,00%	75.000,0	329.250,6	2.007.585,6	-68,0	88.357,1	-75.000,0	--	--
CORPORACIÓN ACCIONA INFRAESTRUCTURAS S.L.	MADRID	CONSTR. & ENG.	A	1.313.295,7	--	1.313.295,7	100,00%	0,00%	100,00%	10.000,0	92.503,0	1.223.010,8	18.019,7	13.566,1	-10.000,0	-8,7	--
DREM, S.A.	MADRID	OTHER ACTIVITIES	A	1.335,5	--	1.335,5	100,00%	0,00%	100,00%	--	1.001,6	-102,6	-10,0	767,7	--	--	--
ENTIDAD EFINEN, S.A.	MADRID	OTHER ACTIVITIES	A	4.507,6	-2.936,7	1.570,9	100,00%	0,00%	100,00%	--	183,1	1.387,6	-0,2	-0,2	--	--	--
FINANZAS DOS, S.A.	MADRID	OTHER ACTIVITIES	A	6.625,9	-5.168,6	1.457,3	100,00%	0,00%	100,00%	--	691,0	777,1	-0,2	10,9	--	--	--
FINANZAS Y CARTERA DOS, S.A.	MADRID	OTHER ACTIVITIES	A	159,7	-38,8	120,8	100,00%	0,00%	100,00%	--	34,3	86,3	--	0,0	--	--	--
FINANZAS Y CARTERA UNO, S.A.	MADRID	OTHER ACTIVITIES	A	15,0	-12,2	2,8	100,00%	0,00%	100,00%	--	5,4	-3,0	-6,4	-4,8	--	--	--
GESTION DE RECURSOS CORPORATIVOS, S.L.	NAVARRA	OTHER ACTIVITIES	A	3,4	-3,4	--	100,00%	0,00%	100,00%	--	5,0	-11,2	--	-0,6	--	--	--
GRUPO BODIGAS PALACIO 1894, S.A.	MADRID	OTHER ACTIVITIES	A	31.709,7	--	31.709,7	100,00%	0,00%	100,00%	100,0	26.294,1	23.568,5	699,8	618,2	-100,0	--	--
HOSPITAL DE LEON BAIJO, S.A. DE C.V.	MEXICO	CONCESSIONS	A	2.901,3	--	2.901,3	98,00%	2,00%	100,00%	--	2.960,4	20.426,1	5.632,6	3.960,3	--	-5.555,8	--
NECSO ENTRECANALES CUBIERTAS MEXICO,SA. DE CV	MEXICO	CONSTR. & ENG.	A	9,9	-9,9	--	0,00%	100,00%	100,00%	--	27.519,8	-20.236,7	22.945,5	26.312,5	--	-7.025,1	--
S.C. AZTRANO 2, S.A.	GUADALAJARA	CONCESSIONS	A	14.876,0	-13.527,3	1.348,7	100,00%	0,00%	100,00%	--	14.876,0	-7.182,4	6.075,3	2.706,4	--	--	--
Sociedad empresarial de financiación y comercio, S.L.	MADRID	OTHER ACTIVITIES	A	138,2	-138,2	--	100,00%	0,00%	100,00%	--	14,5	217,2	--	-3,3	--	--	--
TIBEST CUATRO, S.A.	MADRID	OTHER ACTIVITIES	A	13.522,8	--	13.522,8	100,00%	0,00%	100,00%	--	11.195,1	4.155,8	--	129,4	--	--	--
TICTREB, S.A.	MADRID	OTHER ACTIVITIES	A	18.249,3	-17.717,0	532,3	100,00%	0,00%	100,00%	--	2.701,6	-2.196,2	-0,2	-32,0	--	--	--
TOTAL GROUP COMPANIES				6.594.491,7	-959.983,7	5.634.507,9				276.178,4	977.318,4	4.503.278,1	129.557,6	395.219,5	-303.148,6	-12.579,4	--

(*) Companies whose financial statements are audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young

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 TRADUCTORA INTERPRETE JURADA DE INGLES
 MARIA CRISTINA LOZANO

ACCIONA, S.A.

Notes for the year ended 31/12/2020

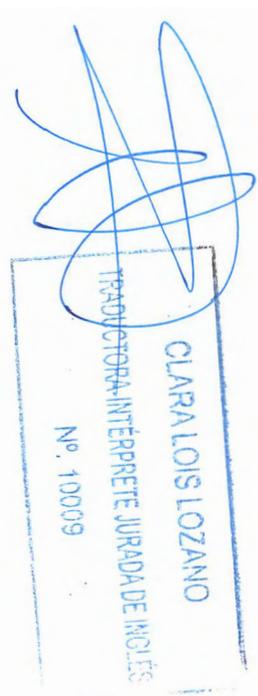
JOINT VENTURES, ASSOCIATES AND OTHER

The subsidiaries of ACCIONA, S.A. considered as joint ventures and associates according to Standard 13 on the Preparation of Annual Financial Statements of the General Accounting Plan, and the information thereon at 31 December 2019, were the following (amounts in thousand euros):

NAME	LOCATION	DIVISION	AUDITOR (*)	INVESTMENT	PROVISION	NET CARRYING AMOUNT	DIRECT	INDIRECT	TOTAL SHAREHOLDING	DIVIDEND RECEIVED	SUBSCRIBED CAPITAL	RESERVES	OPERATING PROFIT/(LOSS)	ATTRIBUTED RESULT	INTERIM DIVIDENDS	TRANSLATION DIFFERENCES	NON-CONTROLLING INTERESTS
CONSORCIO TRAZA, S.A.	ARAGON	CONCESSIONS	D	6.647,2	--	6.647,2	16,60%	0,00%	16,60%	--	575,0	-5.497,4	2.544,8	-4.413,9	--	--	5.607,7
CONSTRUCTORA NECSO SACYR CHILE	CHILE	CONSTR. & ENG.		0,0	-0,0	--	0,01%	49,99%	50,00%	--	17,8	-1.194,7	--	--	--	1.033,7	--
INFRASTRUCTURAS RADIALES, S.A.	MADRID	CONCESSIONS		25.895,9	-25.895,9	--	22,50%	2,50%	25,00%	--	11.610,2	-398.253,3	--	--	--	--	--
NORDEX SE**	GERMANY	ENERGY	B	852.960,6	-197.772,8	655.187,9	36,27%	0,00%	36,27%	--	96.982,0	608.934,0	-42.213,0	-76.535,0	--	-9.796,0	--
S.C. PUENTE DEL EBRO, S.A.	ARAGON	CONCESSIONS		6.692,5	-6.692,5	--	50,00%	0,00%	50,00%	--	13.385,0	-31.783,4	-231,2	-353,9	--	--	--
TOTAL JOINT VENTURES, ASSOCIATES AND OTHER				892.196,3	-230.361,2	661.835,1				--	122.570,0	172.205,3	-39.899,5	-81.302,8	--	-8.762,3	5.607,7

(*) Companies whose financial statements are audited by: (A) KPMG; (B) PricewaterhouseCoopers; (C) Deloitte; (D) Ernst & Young

(**) Corresponds to the last periodic public information issued by Nordex, S.E. on the Frankfurt stock exchange on 30 September 2019.



ACCIONA, S.A.
DIRECTORS' REPORT – FINANCIAL YEAR 2020

ACCIONA, S.A. is the Acciona Group's Parent Company and its activity is limited to the management of shareholdings and to services to support its investees. Therefore, this Directors' Report must be interpreted from the perspective of the Parent Company and its subsidiaries.

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

- Energy includes the electric business, encompassing the promotion, construction, operation and maintenance of renewable generation facilities and the sale of the energy produced. All the electricity generated by Acciona Energía is renewable.
- Infrastructure includes the following activities:
 - Construction: includes construction activity, as well as turn-key projects (EPC) for power generation plants and other facilities.
 - Concessions: including the exploitation of mainly transport and hospital concessions.
 - Water: including the activities relating to the construction of desalination plants, water and wastewater treatment plants, as well as the management of the entire water cycle, an activity that covers from the initial water collection to its treatment, including desalination, to its purification and return to the environment after use. It also operates concessions for services related to the entire water cycle.
 - Services: includes urban mobility activities such as rental of all types of vehicles, analysis, design and implementation of energy efficiency projects and renewable energy improvement projects in all types of energy-consuming facilities, as well as facility services activities, airport handling, waste collection and treatment and logistics services, among others.
- Other activities: include fund management and brokerage services, real estate business, wine production and other businesses.

The Alternative Performance Measures or APMs used in this report by ACCIONA Group are listed and defined below:

EBITDA or the gross operating profit: is defined as operating income before depreciation and amortisation and variations in provisions, that is, it shows the operating result of the Group. It is calculated by taking the following items of the consolidated income statement: "revenue", "other income", "changes in inventories of finished goods and work in progress", "cost of goods sold", "personnel expenses", "other operating expenses" and "Income from associated companies - analogous"¹.

¹ As of 1 January 2020, the Acciona Group includes income from associated companies and joint ventures that are accounted for using the equity method, and that carry out an activity similar to Acciona's activity, within the gross operating profit (EBITDA) according to Decision EEC/85/378 issued by European Securities and Markets Authority (ESMA). The Group considers that this reclassification will contribute to making the EBITDA a better reflection of the financial performance of those assets and activities that form the Group's corporate purpose and in which the Group is highly involved, regardless of the legal nature of the agreements that regulate their management. The results of those associates and joint ventures which, due to the development of activities outside the group's business, are more similar to that of a financial investment would be the only ones recorded under operating profit. In addition, this change will allow for greater alignment with the presentation criteria that comparable companies have been adopting in recent times.

EBT excluding corporate transactions: is defined as earnings before tax excluding those accounting impacts related to events and decisions made by the Group's corporate management, which go beyond the ordinary business decisions made by the different division's management and are detailed in the information note by segments.

Net Debt: shows the Group's debt, in net terms, deducting cash and current financial assets. The detailed reconciliation is broken down in the Cash flow and Net Financial Debt Variation section of the Directors' Report. It is calculated by taking the following items from the consolidated balance sheet: "non-current bank borrowings and preferred shares, debentures and other marketable securities", "current interest bearing borrowings and preferred shares, debentures and other marketable securities", less "cash and cash equivalents" and "other current financial assets".

Net Debt including IFRS16: is defined as net debt adding balance sheet long-term and short-term "lease obligations".

Non-recourse debt (project debt): corresponds to debt that does not have corporate guarantees, and therefore its recourse is limited to the debtor's assets and cash flows.

Recourse debt (corporate debt): debt with a corporate guarantee.

Financial gearing: shows the relationship between the Group's financial debt and its equity. It is calculated by dividing "net debt" (calculated as explained above) by "equity".

Backlog: is defined as the pending production, i.e., contractual amounts or customer orders after having deducted the amounts already accounted for as income in the income statement. It is calculated on the basis of orders and contracts awarded to the Group, deducting the realized portion that is accounted for in "revenue" and adding or subtracting "other variations" that correspond to forex adjustments and modifications to the initial contracts.

Gross Ordinary Capex: is defined as the period increase in the balance of property, plant & equipment, real state investments, right of use under financial leasing contracts and non-current financial assets, corrected by the following concepts:

- Amortisation and impairment of assets during the period
- Profit/(loss) on disposals of non-current assets
- Variation due to forex fluctuations

When dealing with changes in the consolidation perimeter, net capex is defined as the net outflow/inflow of used/sourced resources in the purchase/sale of net assets.

Net Ordinary Capex: is defined as the Gross Ordinary Capex +/- change in "other payables" related to property, plant, and equipment providers.

Divestments: resources obtained from the sale of businesses or significant cash generating units that are carried out within the framework of a divestment strategy.

Net Investment Cashflow: Net Ordinary Capex, subtracting divestments, +/- change in Real Estate inventories.

Operating Cashflow: represents the ability of assets to generate resources in terms of net debt. It is obtained as follows: EBITDA +/- change in operating working capital – net financial cost +/- cash inflow/outflow of tax income + income from associates +/- other cash inflow/outflow different from those included in the Net Investment Cash-flow and from those which constitute shareholder remuneration.

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

Management considers these APMs provide useful additional financial information to evaluate the performance of the Group and its subsidiaries as well as for decision-making by the users of the financial information.

Executive Summary

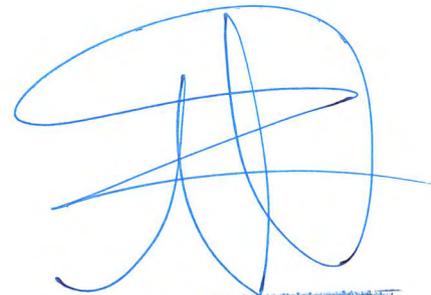
Key Highlights of the period:

- 2020 has been marked by the COVID19 pandemic and the effects it has had on the environment in which the company operates. In terms of the group's businesses, the pandemic has had a particularly negative impact on Infrastructures due to, among other things, the suspension of projects, increased costs and general disruption to the operating environment. The Energy business was affected on a lesser scale, with the decline in electricity demand in Spain resulting in a considerable decrease in wholesale prices.
- In this challenging environment, the group has been able to protect its solid financial position and growth capacity, with the debt ratio standing at 4.21x (net debt/EBITDA) at 31 December 2020. This strong result was made possible by the execution of the plan aimed at mitigating the temporary impact of the pandemic, focusing on liquidity and financial flexibility, moderation of investment flows and working capital management, asset rotation, a 50% reduction in the dividend, and cost efficiency.
- During 2020, the company has considerably strengthened its growth potential despite COVID19, significantly increasing the portfolio of planned renewable projects and reaching a backlog of construction and water projects at record highs. ACCIONA is well positioned to take advantage of the economic recovery and reactivation plans, which are expected to be particularly focused on sustainable and transformative sectors.
- ACCIONA's revenues amounted to €6,472 million, a 10% decrease compared to 2019. EBITDA - including the contribution of assets consolidated by the equity method whose activity is similar to that of the group - stood at €1,124 million, a decline of 21.8%. The negative impact of COVID19 amounted to €796 million in sales and €221 million in EBITDA for the year as a whole. The second quarter of the year was the most affected by the pandemic, with a gradual recovery in the third and fourth quarters.

- By business area, Energy and Infrastructure revenues decreased by 10.9% and 10.8%, respectively, compared to the previous year, while revenues from Other Activities increased by 4.7%.
- In terms of EBITDA evolution by activity:
 - The Energy division experienced a 6.7% decline in EBITDA to €831 million due to a combination of several factors:
 - In the domestic market, Generation EBITDA fell by 14.2% to €394 million, mainly because of lower wholesale prices and the reduction in regulated revenues following the three-year regulatory review.
 - The International Generation business grew by 1.5% to €459 million, with the contribution from new assets in operation offsetting lower output from the existing portfolio.
 - Mainly due to the impact of the pandemic in 2020, Infrastructure EBITDA decreased by 54.2% to €213 million, especially in the industrial area and in some services activities that have been significantly affected, as well as the comparison to 2019 which included the contribution from the commercial agreement in respect of the Sydney Light Rail project.
 - Other Activities generated EBITDA 4.1% lower than in the previous year.
- Financial expenses decreased by 4.7% compared to 2019, to €219 million.
- Attributable net profit amounted to €380 million, 8.1% higher than in 2019. This result includes a positive contribution from ACCIONA's stake in Nordex of €79 million, €145 million relating to the reversal of the impairment made in 2017, as well as €79 million capital gain obtained with the sale of two Spanish concessions (Autovía de Los Viñedos and Hospital del Norte), completed before year end. This sale belongs to the disposal of a portfolio of eight concessions assets in Spain agreed in December 2020, of which the sale of the remaining six assets are pending to be completed.
- Net ordinary capex for the full year was €829 million, to which €14 million must be added in terms of net investment in property development inventories. Most of the investment was in Energy, which invested €607 million mainly in new renewable capacity, wind farms in Mexico, the United States and Chile. ACCIONA installed 580MWs in the year, with 494MWs under construction at 31 December 2020. The company also has an additional 1,709MW of projects scheduled to enter construction during 2021, providing excellent visibility of its growth.
- In terms of divestments, it is worth highlighting the agreement reached during the fourth quarter of the year for the sale of a portfolio of eight concession assets in Spain in a transaction valued at €484 million (EV), of which €357 million represented the value of the shares and €127 million the associated debt (classified as held for sale at the end of the first half of the year). Prior to year-end, the company had completed the sale of two of the six assets (Autovía de los Viñedos

and Hospital del Norte) and had received €234 million (€98 million in the form of an advance payment for the remaining six assets whose sale will be completed in the coming months). Furthermore, in December, the company executed the sale of its student residence assets for €31 million.

- In Infrastructure, the backlog of construction and water projects grew to €12,123 million, 51% higher than at the end of 2019, highlighting the record amount of new awards and additions such as the São Paulo Line 6 and the closing of the acquisition of part of the Australian company Lendlease Engineering's project portfolio.
- As at 31st of December 2020, net financial debt (including IFRS16) stood at €4,733 million, representing a reduction of €584 million compared to the end of the previous year.



CLARA LOIS LOZANO
TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS
Nº. 10009

Income Statement Data

(Million Euros)	Jan-Dec 20	Jan-Dec 19	Chg. %
Revenues	6,472	7,191	-10.0%
EBITDA	1,124	1,357	-21.8%
EBT	508	545	-6.7%
EBT - ex. corp. trans.	508	545	-6.7%
Attributable net profit	380	352	8.1%
Net profit - ex. corp. trans.	380	352	8.1%

Balance Sheet Data and Capital Expenditure

(Million Euros)	Jan-Dec 20	Jan-Dec 19	Chg. %
Attributable Equity	3,405	3,421	-0.5%
Net debt	4,239	4,915	-13.8%
Net debt including IFRS16	4,733	5,317	-11.0%

(Million Euros)	Jan-Dec 20	Jan-Dec 19	Chg. %
Net Ordinary Capex	829	1,034	-19.9%
Net Investment Cashflow	526	1,241	-57.6%

Operating Data

	Jan-Dec 19	Jan-Dec 19	Chg. %
Infrastructure backlog (Million euros)	15,364	11,391	34.9%
Average workforce	38,355	39,699	-3.4%

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. %
Total capacity (MW)	10,694	10,117	5.70%
Consolidated capacity (MW)	8,631	8,053	7.20%
Total production (GWh) (Jan-Dec)	24,075	22,991	4.70%
Consolidated production (GWh) (Jan-Dec)	19,451	18,712	3.90%
Assets under Bestinver management (Million euros)	6,371	6,790	-6.20%


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Consolidated Income Statement

(Million Euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Revenues	6,472	7,191	(718)	-10.0%
Other income	789	684	105	15.3%
Changes in inventories of finished goods and work in progress	194	16	177	n.m.
Total Production Value	7,455	7,891	(436)	-5.5%
Costs of goods sold	(2,216)	(2,021)	(195)	-9.6%
Personnel expenses	(1,551)	(1,599)	48	3.0%
Other expenses	(2,646)	(2,915)	268	9.2%
Income from associated companies - analogous	82	81	1	1.8%
EBITDA	1,124	1,437	(313)	-21.8%
Depreciation and amortisation	(557)	(586)	29	5.0%
Provisions	(121)	(71)	(50)	-71.1%
Impairment of non-current asset	92	(4)	96	n.m.
Profit/(loss) on disposals of non-current assets	88	13	75	n.m.
Other gains or losses	(9)	(7)	(2)	n.m.
EBIT	616	782	(165)	-21.2%
Net financial result	(219)	(230)	11	4.7%
Exchange differences (net)	14	9	5	53.7%
Change in financial investment provisions	1	(2)	3	n.m.
Income from associated companies - non-analogous	79	(20)	99	n.m.
Profit and loss from changes in fair value of financial instruments	15	5	10	n.m.
Profit before tax from Continuing Activities	508	545	(37)	-6.7%
Income tax	(97)	(147)	50	33.9%
Profit from Continuing Activities	411	398	13	3.3%
Non-controlling interests	(30)	(46)	15	33.7%
Attributable Net Profit	380	352	29	8.1%

Revenue

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Energy	1,780	1,997	(217)	-10.9%
Infrastructure	4,492	5,034	(541)	-10.8%
Other activities	378	361	17	4.7%
Consolidation adjustments	(178)	(201)	24	11.7%
TOTAL Revenue	6,472	7,191	(718)	-10.0%

Revenues decreased by 10% to €6,472 million, with the following evolution in the different areas of activity:

- The decrease in Energy revenues (-10.9%), mainly due to the reduction in pool prices in Spain and the lower regulated remuneration following the last regular three-year review of the regulatory model.
- A decrease in Infrastructure revenues (-10.8%) mainly due to the consequences of the COVID 19 pandemic in 2020 in the different markets and business areas, as well as the positive non-recurring effect that the Sydney Light Rail project agreement had on sales in 2019.
- The revenues from Other Activities increased by +4.7%.

EBITDA

(Million euros)	Jan-Dec 20	% EBITDA	Jan-Dec 19	% EBITDA	Chg. €m	Chg. %
Energy	831	74%	890	62%	(60)	-6.7%
Infrastructure	213	19%	466	32%	(253)	-54.2%
Other activities	80	7%	84	6%	(3)	-4.1%
Consolidation adjustments	--	n.m.	(3)	n.m.	2	82.6%
EBITDA Total	1,124	100%	1,437	100%	(313)	-21.8%
Margin (%)	17.4%		20.0%			-2.6pp

Note: EBITDA contributions calculated before consolidation adjustments.

EBITDA fell by 21.8% in the period and stood at €1,124 million, mainly due to the lower contribution of Infrastructure (-54.2% compared to 2019). Energy reduced its EBITDA by 6.7% and Other Activities by -4.1%.

EBIT

EBIT amounted to €616 million vs. €782 million in 2019, representing a 21.2% decrease.

Earnings Before Tax (EBT)

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Energy	441	284	157	55.0%
Infrastructure	7	201	(194)	-96.7%
Other activities	61	62	(1)	-1.7%
Consolidation adjustments	--	(2)	2	89.7%
EBT - ex. corp. trans.	508	545	(37)	6.7%
Results from corporate	--	--	--	n.m.
TOTAL EBT	508	545	(37)	6.7%
Margin (%)	7.8%	7.6%		+0.3pp

Attributable Net Profit

Attributable net profit reached €380 million, 8.1% higher than the previous year. This result includes €79 million capital gain obtained from the sale of Autovía de los Viñedos (Avisa) and Hospital del Norte, completed in the fourth quarter of 2020.



Consolidated Balance Sheet and Cashflow

(Million euros)	31-Dec-2020	31-Dec-2019	Chg. €m	Chg. %
Property, Plant & Equipment and Intangible assets	7,873	7,703	170	2.2%
Right of use	497	409	88	21.5%
Financial assets	189	211	(21)	-10.2%
Investments applying the equity method	1,227	1,117	111	9.9%
Goodwill	230	233	(3)	-1.3%
Other non-current assets	1,382	1,638	(256)	-15.6%
NON-CURRENT ASSETS	11,399	11,311	88	0.8%
Inventories	1,230	1,248	(18)	-1.5%
Accounts receivable	2,252	2,091	161	7.7%
Other current assets	309	352	(43)	-12.2%
Current financial assets	213	199	14	7.0%
Cash and cash equivalents	2,407	2,149	259	12.0%
Non-Current assets held for sale	458	--	458	n.m.
CURRENT ASSETS	6,869	6,038	831	13.8%
TOTAL ASSETS	18,268	17,349	919	5.3%
Share capital	55	55	--	0.0%
Reserves	2,992	3,043	(52)	-1.7%
Profit attributable to equity holders of the Parent Company	380	352	29	8.1%
Treasury stock shares	(22)	(29)	7	23.0%
EQUITY ATTRIBUTABLE TO THE PARENT	3,405	3,421	(17)	-0.5%
NON-CONTROLLING INTERESTS	365	219	146	66.4%
EQUITY	3,770	3,641	129	3.5%
Non-current financial debt	4,871	5,296	(425)	-8.0%
Lon-term lease obligations	420	347	73	21.1%
Other non-current liabilities	1,857	1,904	(47)	-2.4%
NON-CURRENT LIABILITIES	7,149	7,547	(398)	-5.3%
Current bank financial debt	1,987	1,966	21	1.1%
Short-Term leasing obligations	74	55	19	34.4%
Trade payables	2,953	2,604	349	13.4%
Other current liabilities	1,952	1,536	416	27.1%
Liabilities associated to non-current assets held for sale	383	--	383	n.m.
CURRENT LIABILITIES	7,349	6,162	1,188	19.3%
TOTAL LIABILITIES AND EQUITY	18,268	17,349	919	5.3%



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ACCIONA, S.A.

Notes for the year ended 31/12/2020

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg.(€m)	Chg.(%)
EBITDA	1,124	1,437	(313)	-21.8%
Financial results	(200)	(218)	19	8.6%
Working capital	207	(33)	240	n.m.
Other operating cashflow	(211)	(216)	4	1.9%
Operating cashflow	920	970	(50)	-5.2%
Gross Ordinary Capex	(829)	(1,034)	205	19.8%
Divestments	318	66	252	n.m.
Real Estate inventories	(14)	(272)	258	94.7%
Net Investment Cashflow	(526)	(1,241)	715	57.6%
Debt derivatives	5	(42)	47	111.6%
Forex	36	(14)	50	n.m.
Dividend	(106)	(192)	86	44.9%
Perimeter changes and other (*)	347	(64)	411	n.m.
Financing/other cashflow	282	(312)	594	190.5%
Change in net debt decrease / (increase)	676	(582)	1,258	n.m.

*Note: IFRS16 lease payments amount to €105m, of which €24m is reflected in Financial results (interests) and €81m in Perimeter changes & other (principal)

Attributable Equity

ACCIONA's attributable equity as of 31st December 2020 was €3,405 million, broadly unchanged versus December 2019.

Change in Net Financial Debt

	31-Dec-20		31-Dec-19		Chg. €m	Chg. %
	Amount	Total	Amount	Total		
Project debt	947	14%	1,304	18%	(357)	-27.4%
Corporate debt	5,912	86%	5,958	82%	(47)	-0.8%
Total financial debt	6,858		7,262	100%	(404)	-5.6%
Cash + Current financial assets	(2,620)		(2,347)		(272)	-11.6%
Net debt	4,239		4,915		(676)	-13.8%
Net debt incl. IFRS 16	4,733		5,317		(584)	-11.0%

Net debt as of 31st December 2020 grew to €4,239 million (€4,733 million including the IFRS16 effect), a decrease of €584 million during the year. This variation is the result of a combination of the following factors:

- Operating Cash flow of €920 million, with a favourable evolution of the working capital throughout the year.
- Net Cash Flow from Investments of -€526 million, including €14 million invested in the property business and €318 million of positive cash flow from divestments.
- Financing Cash flow and Others, which reached €282 million, including the reclassification to held for sale of the net debt associated with the Spanish concession portfolio in the fourth quarter (€115 million as at December 2020) and

of the company holding a concession asset in Australia (€260m) resulting from the commercial agreement on the Sydney Light Rail project. This item includes the dividends payment (€106 million) as well.

Financial gearing has evolved as follows:

(Million euros)	31-Dec-20	31-Dec-19
Gearing (Net Debt/Equity) (%)	126%	146%

Capital Expenditure

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. (€m)	Chg. (%)
Energy	607	608	(1)	-0.1%
Infrastructure	205	392	(186)	-47.6%
Construction	79	45	35	77.4%
Concessions	72	288	(216)	-75.1%
Water	10	15	(5)	-32.7%
Services	44	44	—	0.4%
Other activities	17	35	(18)	-52.1%
Net Ordinary Capex	829	1,034	(205)	-19.9%

In 2020 the net ordinary capex across ACCIONA's various businesses grew to €829 million, 19.9% less than the amount invested during 2019.

The Energy division invested €607 million, mostly in the construction of new capacity, mainly wind technology, noting the Santa Cruz and San Carlos projects in Mexico, as well as La Chalupa projects in USA. In total 580MWs have been newly installed in the period (485MWs of wind and 94MWs of solar PV) and 494MWs are under construction.

Additionally, the Infrastructure division invested €205 million, compared to €392 million in 2019, which included €281 million from the concession asset resulting from the agreement reached with the client on the Sydney Light Rail concession.

Capex in Other Activities does not include net investments in property development inventories, which amounted to €14 million in 2020, compared to €272 million in 2019 (a figure which includes the acquisition of the Mesena office project).



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Results by Division

Energy

(Million Euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Generation	1,361	1,435	(74)	-5.2%
<i>Spain</i>	694	766	(72)	-9.4%
<i>International</i>	668	670	(2)	-0.3%
Development, Construction & Other	974	970	3	0.4%
Consolidation adjustments and other	(555)	(408)	(146)	-35.8%
Revenues	1,780	1,997	(217)	-10.9%
Generation	853	911	(59)	-6.4%
<i>Spain</i>	394	459	(65)	-14.2%
<i>International</i>	459	452	7	1.5%
Development, Construction & Other	59	4	55	n.m.
Consolidation adjustments and other	(81)	(25)	(56)	n.m.
EBITDA	831	890	(60)	-6.7%
Generation Margin (%)	62.7%	63.5%		
EBT	441	284	157	55.0%
Generation Margin (%)	28.1%	19.0%		

ACCIONA Energy revenues decreased by 10.9% compared to 2019. EBITDA declined by 6.7% and stood at €831 million, mainly due to:

- In the Spanish market, the Generation business EBITDA fell by 14.2% mainly due to the lower average price obtained, in an environment of lower wholesale prices (€33.96/MWh in 2020 vs. €47.8/MWh in 2019). The reduction in the amount of regulated remuneration following the last ordinary three-year review of the regulatory model has also had a negative impact. These effects were partly mitigated by the effect of the regulatory banding mechanism and price hedges, as well as by the contribution from equity-consolidated companies, which amounted to €58 million in 2020 compared to €46 million in 2019, as a result of the extension of the accounting useful life from 25 to 30 years, leading to lower depreciation and impairment reversals of a combined amount of €28.5 million.
- EBITDA in the International Generation business increased by 1.5% with the contribution of new assets in operation offsetting the lower output of the existing portfolio. Average prices increased but this effect was offset by the negative evolution of exchange rates.

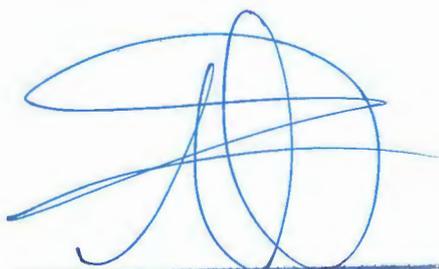
During 2020, the consolidated capacity increased by 577MWs, with almost all new capacity outside Spain. 580MWs were installed (485MWs wind in the US, Mexico, Chile and Australia and 94MWs photovoltaic in Chile). In Spain, the Sierra Brava solar plant (1MW) was installed, the first floating photovoltaic plant connected to the grid in the country.

At an operational level, consolidated production in 2020 reached 19,451GWh, with an increase of 3.9% with respect to 2019. In the Spanish market, production slightly decreased by -0.5%, with the higher hydro output, almost totally offsetting the lower wind

production. International assets increased production by 8.9% (+6.8% in wind and +34.2% in solar photovoltaic), mainly due to the new operational capacity.

Breakdown of Installed Capacity and Production by Technology

31-Dec-2020	Total		Consolidated		Net	
	Installed MW	Produced GWh	Installed MW	Produced GWh	Installed MW	Produced GWh
Spain	5,677	12,486	4,452	9,821	5,014	11,038
Wind	4,738	9,671	3,514	7,007	4,078	8,242
Hydro	873	2,374	873	2,374	873	2,374
Solar Thermoelectric	--	--	--	--	--	--
Solar PV	4	3	4	3	4	3
Biomass	61	437	61	437	59	419
International	5,017	11,589	4,179	9,630	3,820	8,033
Wind	3,722	9,090	3,519	8,568	2,932	6,457
Mexico	930	2,610	930	2,610	780	1,978
USA	1,064	2,201	990	1,987	851	1,510
Australia	453	1,239	389	1,106	353	874
India	164	367	164	367	142	301
Italy	156	231	156	231	117	154
Canada	181	503	141	371	106	247
South Africa	138	329	138	329	57	120
Portugal	120	263	120	263	84	162
Poland	101	230	101	230	76	153
Costa Rica	50	227	50	227	32	148
Chile	312	777	312	777	301	740
Croatia	30	71	30	71	23	47
Hungary	24	42	--	--	12	21
Solar PV	1,232	2,390	595	952	840	1,504
Chile	401	685	401	685	401	685
South Africa	94	201	94	201	39	74
Portugal	46	88	--	--	23	39
Mexico	405	918	--	--	202	459
Egypt	186	432	--	--	78	181
Ukraine	100	67	100	67	97	67
Solar Thermoelectric	64	110	64	110	48	73
Total Wind	8,460	18,761	7,033	15,574	7,011	14,698
Total other	2,234	5,314	1,598	3,877	1,824	4,373
Total Energy	10,694	24,075	8,631	19,451	8,835	19,072



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Infrastructure

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Construction	2,776	3,430	(654)	-19.1%
Concessions	98	78	20	26.3%
Water	976	758	218	28.8%
Services	727	824	(97)	-11.8%
Consolidation adjustments	(85)	(56)	(29)	-51.8%
Revenues	4,492	5,034	(541)	-10.8%
Construction	50	284	(233)	-82.3%
Concessions	67	50	17	33.4%
Water	85	89	(4)	-4.7%
Services	11	43	(32)	-74.0%
EBITDA	213	466	(253)	-54.2%
Margin (%)	4.7%	9.3%		
EBT	7	201	(194)	-96.7%
Margin (%)	0.1%	4.0%		

Infrastructure revenues amounted to €4,492 million (-10.8% vs 2019). EBITDA decreased by 54.2% to €213 million, reflecting the impact of the COVID19 pandemic.

Infrastructure Backlog

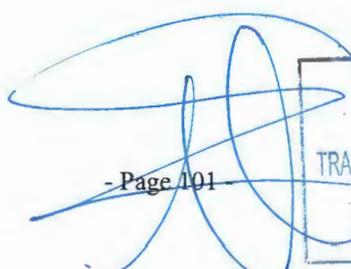
(Million Euros)	31-Dec-2020	31-Dec-2019	Chg. %	Weight (%)
Construction	10,797	6,506	66.0%	70%
Water	3,789	3,974	-5.0%	25%
Services	779	911	-15.0%	5%
Total	15,364	11,391	35.0%	100%

(Million Euros)	31-Dec-2020	31-Dec-2019	Chg. %	Weight (%)
Projects (Construction and Water)	12,123	8,047	50.6%	79%
Water O&M	2,462	2,433	1.2%	16%
Services	779	911	-14.5%	5%
Total	15,364	11,391	34.9%	100%

(Million Euros)	31-Dec-2020	31-Dec-2019	Chg. %	Weight (%)
Spain	3,281	3,558	-7.8%	21%
International	12,083	7,832	54.3%	79%
Total	15,364	11,391	34.9%	100%

The total Infrastructure backlog increased by 34.9% compared to December 2019. During the period, new projects worth €9,141 million were awarded, including Line 6 of the São Paulo Metro, the extension of the Broadway line of the Vancouver Metro, two expressways in Poland, a hospital in Panama. And the acquisition of part of the Lendlease Engineering's project portfolio.

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A. Construction

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Revenues	2,776	3,430	(654)	-19.1%
EBITDA	50	284	(233)	-82.3%
Margin (%)	1.8%	8.3%		

Revenues decreased by 19.1% and stood at €2.776 million. EBITDA fell by 82.3% due to the impact of the pandemic on the business, as well as the positive non-recurring effect in 2019 of the agreement reached with the client for the Sydney Light Rail project.

B. Concessions

(Million Euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Revenues	98	78	20	26.3%
EBITDA	67	50	17	33.4%
Margin (%)	68.2%	64.5%		

Concessions increased revenues by 26.3% and EBITDA by 33.4% despite the negative effect of COVID19 on two concessions in Spain with demand risk. This effect was mitigated by the positive impact from the start-up of Line 6 in São Paulo in the fourth quarter.

C. Water

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Revenues	976	758	218	28.8%
EBITDA	85	89	(4)	-4.7%
Margin (%)	8.7%	11.7%		

Water revenues increased by 28.8% and EBITDA decreased by 4.7% amounting to €85 million. The 2019 EBITDA included a positive contribution from ATLL of €9 million until the early termination of the concession contract.

D. Services

(Million euros)	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Revenues	727	824	(97)	-11.8%
EBITDA	11	43	(32)	-74.0%
Margin (%)	1.5%	5.2%		

Services EBITDA was reduced, affected by the impact of the pandemic, mainly in airport handling, mobility and facility services.

Other activities

<i>(Million euros)</i>	Jan-Dec 20	Jan-Dec 19	Chg. €m	Chg. %
Real estate	201	141	60	42.9%
Bestinver	114	99	15	15.6%
Corp. and other	63	122	(59)	-48.5%
Revenues	378	361	17	4.7%
Real Estate	19	20	(1)	7.2%
Margin (%)	9.4%	14.5%		
Bestinver	63	62	--	0.8%
Margin (%)	54.9%	63.0%		
Corp. and other	(1)	1	(2)	n.a.
EBITDA	80	84	(3)	-4.1%
EBT	61	62	(1)	-1.7%

A. Real Estate

The Property business EBITDA remained virtually flat compared to the previous year. In 2020, 744 residential units were delivered, compared to 512 units in 2019.

B. Bestinver

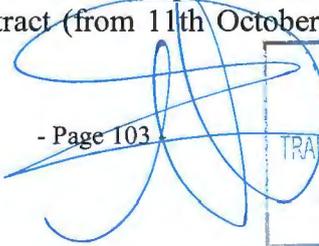
EBITDA generated by Bestinver increased slightly (+0.8%) in 2020 despite the negative performance of most equity markets. Average funds under management in 2020 stood at €5,742 million, compared to €6,047 million in the previous year.

At 31st of December 2020, the funds under management fell by 6% compared to December 2019 to €6,371 million.

RELEVANT INFORMATION, DIVIDEND AND SHARE DATA

Significant communications to the stock market

- 9 January 2020: ACCIONA, S.A. informs of the completion of the acceptance and additional acceptance periods for the Public Tender Offer (“OPA”) launched for the entirety of the shareholders of NORDEX SE, traded on the regulated market (Regulierter Markt) of the Frankfurt Stock Exchange
 - The OPA has been accepted by a total of 149,399 shares (“Shares”), representing 0.14% of share capital, for a price of EUR 10.34 per share which added to the current shareholding held by ACCIONA, S.A. represents a total of 38,845,395 shares i.e; 36.41% of the share capital in NORDEX, SE.
 - It is expected that the settlement will take place on January 13th 2020, and the total amount to be disbursed for the shares, once the OPA is settled, shall be 1,544,786 euros.
- 13 January 2020: ACCIONA reports on the transactions of the Liquidity Contract for periods ranging from 11/10/2019 and 10/01/2020, inclusive
 - Detailed information about the operations relevant to the tenth quarter of the mentioned contract (from 11th October 2019 to 10th January 2020, both included).



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- 7 February 2020: ACCIONA confirms that it has reached an agreement with the Brazilian consortium Move and the government of the State of São Paulo (Brazil) for the transfer of the contract for the concession of Line 6 of the city's Metro
 - Completion of the transaction is currently subject to the compliance of certain condition precedents, such as, among others, the negotiation of certain economic rebalancing conditions of the concession agreement with the Sao Paulo Government.
 - Construction of the public collaboration project (PPT) is currently at a standstill.
- 10 April 2020: AXA Investment Managers - Real Assets ("AXA IM - Real Assets") and ACCIONA S.A. ("ACCIONA") have entered into an agreement with Kohlberg Kravis Roberts & Co. LP ("KKR") under which they will acquire the 33.33% equity stake currently owned by KKR's infrastructure funds, along with some co-investors, in ACCIONA Energía Internacional ("AEI"). This transaction was structured and facilitated by Real Assets Advisers ("RAA").
 - Under the current transaction, ACCIONA will increase its equity stake in AEI from 66.67% to 80.0%. AXA IM - Real Assets will acquire the remaining 20.0% equity stake becoming ACCIONA's partner in the renewable energy sector. ACCIONA intends to hold a 75% equity stake in AEI, so that the subsidiary becomes part of its Spanish Tax Consolidation Group, and will look for potential investors to acquire the additional 5% stake before closing the transaction, which is expected to take place by December 2020 and subject to customary regulatory approvals.
- 14 April 2020: ACCIONA reports on the transactions of the Liquidity Contract for periods ranging from 13/01/2020 and 09/04/2020, inclusive
 - Detailed information about the operations relevant to the eleventh quarter of the mentioned contract (from 13 January 2020 to 9 April 2020, both included).
- 23 April 2020: The Company has been assigned a Long-Term Issuer Rating of BBB and a Short-Term Issuer Rating of R-2 (Middle) from DBRS Limited (DBRS Morningstar). All trends are Stable. Said rating is within the Investment Grade category.
- 24 April 2020: ACCIONA's Board of Directors announced today that its Annual General Meeting will be held on 28 May.
 - In accordance with Spain's Royal Decree-Law 11/2020, which introduced urgent measures in response to COVID-19, the company has resolved to modify its proposed dividend payout in its AGM notice, even though ACCIONA had already signed off on its Annual Financial Statements. The new proposed dividend is 50% lower than the original figure following the Board of Directors' decision to modify its initial proposal from €3.85 per share to €1.925 per share.
- 18 May 2020: ACCIONA hereby informs that it has formalised a new Euro Commercial Paper (ECP) programme for a maximum amount of 1,000 million euros, which has been approved by Euronext Dublin (Irish Stock Exchange).
 - The Bank of New York Mellon is the Issuing and Paying agent, and Banco Santander, S.A. and Banco Sabadell, S.A. are permanent dealers. This programme will allow the Company to issue Notes in the Euromarket with

- a maximum maturity of 364 days, thus allowing the diversification in alternative means of financing in the capital markets.
- 28 May 2020: Approval of all the proposed resolutions submitted to a vote at the Ordinary General Meeting of Shareholders held today
 - Held on second call, with the attendance of 83.486% of the Company's share capital (including treasury shares), shareholders have approved with, at least 92.71% of the share capital present at the Meeting, all of the items on the agenda submitted to a vote in the terms included in the documentation available to shareholders and which are consistent with the proposed resolutions that were communicated to the CNMV on 24 April 2020 with the registration number 1733.
 - 24 June 2020: ACCIONA's Board of Directors, enforcing the delegation agreed by the Annual General Shareholders Meeting held on 28 May 2020 (OIR 2474), has resolved that the 2019 dividend declared by said meeting, be paid on 2 July 2020, through the entities adhered to Sociedad de Gestión de los Sistemas de Registro Compensación y Liquidación de Valores
 - The relevant dates for the dividend distribution are: Last Trading Date: 29 June 2020, ExDate: 30 June 2020, Record Date: 1 July 2020, Payment Date: 2 July 2020.
 - The 1.925 euros per share gross dividend approved by the Annual General Shareholders Meeting has been slightly increased to the amount of 1.93653644 euros per share due to the direct treasury shares adjustment.
 - 15 July 2020: ACCIONA reports on the transactions of the Liquidity Contract for periods ranging from 14/04/2020 and 14/07/2020, inclusive
 - Detailed information about the operations relevant to the twelfth quarter of the mentioned contract (from 14 April 2020 to 14 July 2020, both included).
 - 9 September 2020: ACCIONA issues a press release regarding the closing of the acquisition of part of the Australian company Lendlease Engineering's project portfolio.
 - The acquisition, along with new projects won in recent months, increases ACCIONA's infrastructure backlog in the country to approximately AU\$4,000 million (€2,470 million) across a vast range of private and public sector contracts.
 - The transaction, valued at AU\$160 million (€99 million) after closing adjustments, comprises the majority of Lendlease Engineering's construction projects.
 - 30 September 2020: ACCIONA issues a correction of the OIR published on 15 July 2020 on the details of the Liquidity Contract operations between 14/04/2020 and 14/07/2020, both included.
 - 2 October 2020: ACCIONA hereby informs of the persons discharging managerial responsibilities in accordance with article 3.1.(25) of the Regulation (EU) no. 596/2014 on Market Abuse, and who are members of the Management Team.
 - 16 October 2020: ACCIONA reports on the transactions of the Liquidity Contract for periods ranging from 15/07/2020 and 15/10/2020, inclusive



- Detailed information about the operations relevant to the thirteenth quarter of the mentioned contract (from 15 July 2020 to 15 October 2020, both included).
- 30 November 2020: ACCIONA has entered into an agreement with Meridiam Infra Invest SLP, Meridiam Infrastructure Fund III SLP and Bestinver, S.A. for the sale of its stake in the following concessions assets:
 - Autovía de los Viñedos, Autovía de la Plata, Hospital Infanta Sofia (Madrid), Gran Hospital Can Misses (Ibiza), Novo Hospital de Vigo, Nuevo Hospital de Toledo, Ampliación Facultad de Derecho (Barcelona) and Canal de Navarra.
 - The value of the transaction is €484 million of which the price of the shares is €357 million and the associated debt is €127 million. An amount of €234 million is expected to be paid before the end of 2020, as partial payment of the price.
- 3 December 2020: ACCIONA informs that, on 1st December 2020, the Board of Directors of NORDEX, SE, with the consent of the Supervisory Board, agreed to a capital increase by issuance of up to 10,668,068 shares. From said amount, Acciona has agreed to subscribe a total of 614,068 shares at a value of €18.90 per share. As a result of this capital increase, NORDEX SE's share capital amounts to a total of €117,348,759, divided in the same number of shares.

From 30 December 2020, ACCIONA has released the following relevant information:

- 18 January 2021: ACCIONA reports on the transactions of the Liquidity Contract for periods ranging from 16/10/2020 and 15/01/2021, inclusive
 - Detailed information about the operations relevant to the fourteenth quarter of the mentioned contract (from 16 October 2020 to 15 January 2021, both included).

Dividend

On 18 February 2021, ACCIONA's Board of Directors proposed the distribution of a dividend of €213.9 million (€3.90 per share) charged to the results of the 2020 financial year.



Share data and share price performance

ACCIONA Share Price Evolution (€/share)



Key Share Data

	31-Dec-2020
Price at 31 December 2020 (€/share)	116.70
Price at 31 December 2019 (€/share)	93.80
Low in FY 2020 (19/05/2020)	79.15
High in FY 2020 (04/03/2020)	125.50
Average daily trading (shares)	129,362
Average daily trading (€)	9,343,798
Number of shares	54,856,653
Market capitalisation at 31 December 2020 (€ millions)	6,402

Share Capital Information

As of 30 December 2020, ACCIONA's share capital amounted to €54,856,653 divided into 54,856,653 shares of €1 of nominal value each.

The group's treasury shares as of 31 December 2020 amounted to 296,422 shares, which represent 0.5404% of the share capital.

The changes in treasury shares in financial year 2020 were as follows:

	2020		2019	
	Number shares	of Cost	Number shares	of Cost
Opening balance	398,641	28,633	2,902,115	199,616
Additions	1,797,781	174,343	1,536,056	144,099
Retirements	(1,811,840)	(174,879)	(1,545,975)	(144,035)
Liquidity contract movements	(14,059)	(536)	(9,919)	64
Other additions	--	--	--	--
Remaining retirements	(88,160)	(6,048)	(2,493,555)	(171,047)
Other movements	(88,160)	(6,048)	(2,493,555)	(171,047)
End balance	296,422	22,049	398,641	28,633

Events after the reporting period

There have been no significant events since 31 December 2020 and up to the date these financial statements were prepared.

Main Risks associated with the ACCIONA Group's business activities

The risk scenarios considered in the Acciona Risk Management System have been classified into eight groups: **financial, strategic, operational, unforeseeable, environmental, social, compliance and tax**, with the first two groups identified by the Group's executives as those presenting a higher risk profile.

1. Financial and Economic Risks:

Mainly fluctuations in exchange rates, interest rates and financial markets, liquidity, cash flow, late payment or loss of clients.

In order to mitigate the exchange rate risk, Acciona engages currency derivatives (mainly exchange-rate hedging instruments) to cover significant future transactions and cash flows in line with the tolerated risk thresholds. Note 21 to the financial statements for 2020 includes detail of current and non-current assets and liabilities and of equity at 31 December 2020 in the main currencies in which the Group operates.

Interest rate risk is particularly material with regard to the funding of infrastructure projects, in concession contracts, in the construction of wind farms or solar plants and other projects where the variation in interest rates may have a strong impact on their profitability. It is mitigated by hedging transactions through the engagement of derivatives (mainly interest rate swaps, IRS) and by the increase in project financing with fixed-rate corporate financing. This financing of the company's needs through the Group's finance company (Acciona Financiación y Filiales) has contributed not only to reducing exposure to variable interest rates, but also to the gradual reduction in the cost of the Group's debt.

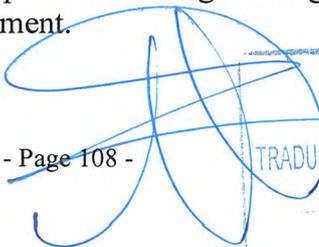
As regards credit and liquidity risks, the Group negotiates operations exclusively with solvent third parties and requires sufficient assurances to mitigate the risk of financial losses in the event of any default.

Together with a suitable level of reserves, it also constantly monitors the forecasts and the current levels of cash flows to match these against the maturity profiles for financial assets and liabilities.

2. Strategic Risks:

They are risks that have the consequences of reducing the growth of the company and failing to meet the objectives due to inability to respond to a dynamic and competitive environment. These risks include organisational changes, investments and divestments, threats from competitors, economic, political and legal changes, and the impact of new technologies or research and development.

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Acciona minimises this type of risk through its own strategy and business model by applying adequate sectoral and geographic diversification of its businesses; the performance of exhaustive market research, surveys of competitors and the countries in which its activities are carried out; as well as through the encouragement of Research and Development.

3. Operational Risks:

They are risks concerning processes, people and products. They are related to regulatory, legal and contractual compliance, control systems and procedures, the supply chain, auxiliary services, information systems, employee productivity and the loss of key personnel.

In each business area, specific systems are established to cover all the business requirements, to systematise and document processes, and to manage quality, operations, planning and financial control.

In order to mitigate the risks in the procurement process, controls have been established to favour free competition and transparency in the processes and to avoid violating Acciona's commitment to ethical behaviour in these processes. Acciona mitigates the main risks in its supply chain related to economic, environmental and labour matters by carrying out a thorough analysis of its critical suppliers.

4. Unforeseeable Risks:

They are risks related to damage caused to company assets and civil liability risks that could negatively impact the company's performance, including criminal acts of a cyber nature.

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, there is coverage for "cyber risks" that cause a loss of income, extra costs or expenses for the recovery of digital assets, coverage for claims for damages caused to clients and third parties for privacy and data protection or for a security breach, among others.

5. Environmental Risks:

These are the risks associated with the company's contribution to climate change through greenhouse gas emissions, waste management, natural resource use and energy efficiency.

The management of environmental risks is integrated into the company's general risk management, while the way it is carried out is defined in the Corporate Environmental Risk Management Standard and its associated procedures (on Environmental Responsibility, Climate Change and Water Resources). This standard details the process to be followed to identify, assess, prioritise and communicate to ACCIONA's decision-making bodies the potential events that, in relation to the environment, could have an impact on the company and its centres; and conversely, the risks generated by its activity that could have an impact on the environment. Thus, the procedure establishes

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performance policies and tolerance thresholds that provide reasonable assurance that the objectives will be achieved.

In addition, Acciona has a Corporate Management System for Environmental Crises. This system includes measures to be followed and the allocation of responsibilities and resources necessary for the adequate management of a crisis situation following any incident occurring at facilities owned or operated by the Company and leading to consequences for the environment.

6. Social Risks:

These are the risks associated with human rights, labour standards in the supply chain, health and safety in the workplace, and the relationship with communities to obtain a social license to operate.

ACCIONA applies its own Social Impact Management (SIM) methodology with which it is aware of the social risks that its works, operations or services could cause in the areas of influence of its projects from the tender or design phase. It aims to generate positive impacts and minimise negative impacts on the local communities and environments in which it operates.

Furthermore, in view of the critical situation created by the COVID-19 virus pandemic, ACCIONA has been taking all necessary measures since this crisis began to protect the health and safety of all its employees, while ensuring the continuity of its businesses and services, some of which are essential for community life. ACCIONA has also launched a number of cooperation initiatives with various public institutions and social agents to contribute to the fight against this pandemic.

7. Compliance Risks:

These refers to a set of rules or principles that define ethical behaviour, rights, responsibilities and expectations among different stakeholders in corporate governance.

Acciona established a Crime Prevention and Anti-Corruption Model following the reform of the Spanish Penal Code. A Criminal Risk Map has been developed since then with the aim of fully integrating the regulatory control system and so that the controls introduced are perfectly aligned and audited.

Risks derived from conduct that is contrary to ethics and integrity. The markets in which Acciona operates could be exposed to risks of an ethical nature that go against the principles of integrity and respect in existing legislation. Acciona has put in place a Code of Conduct which establishes the basic principles and commitments that all directors and employees of the divisions as well as suppliers and third parties in contact with these companies must fulfil and respect when carrying out their activities. There is a whistle blowing channel, communicated at all levels of the Organisation, to enable information to be passed on, with guarantees of confidentiality, regarding any irregular conduct relating to accounting, supervision and auditing as well as any other non-compliance or breach of the behaviour promulgated in the Code.

Social, environmental and governance risks are identified and assessed so that Acciona can improve its sustainability performance, improve its response to multiple scenarios and changing environments, and improve confidence among its stakeholders.

In addition, Acciona has a Corporate Management System for Environmental Crises. This system includes measures to be followed and the allocation of responsibilities and resources necessary for the adequate management of a crisis situation following any incident occurring at facilities owned or operated by the Company and leading to consequences for the environment.

8. Tax Risks:

As regards the **tax risks** faced by the Group, these are basically compliance, procedures, communication with business areas that may lead to an inadequate technical analysis, changes in tax regulations or administrative and jurisprudential criteria, as well as the reputational risk arising from tax decisions that may damage the Group's image and reputation. Acciona has defined a tax risk management policy for such issues which is based on a suitable control environment, a risk identification system, and a continuous monitoring and improvement process on the effectiveness of the established controls. Since 2020, ACCIONA has also been carrying out a Tax Risk Map where it identifies and quantifies all the Group's tax risks so that they can be monitored.

Foreseeable Evolution

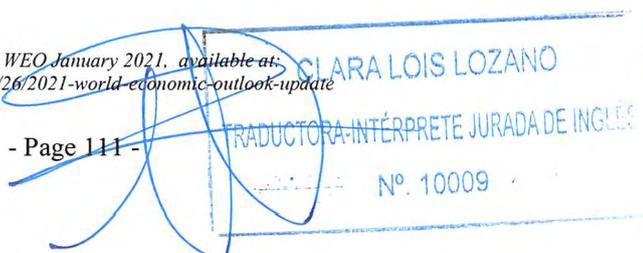
The world economy is experiencing a deep recession as a result of the lingering impact of the COVID-19 pandemic. Recent vaccine approvals and the start of vaccination campaigns have raised hopes that the pandemic will reach a turning point later this year, but new waves and variants of the virus raise concerns about the outlook.

Amid this exceptional uncertainty and after the estimated -3.5% contraction in 2020, the world economy is projected to grow by 5.5% in 2021 and 4.2% in 2022². The projections for 2021 have been revised up by 0.3 percentage points from the previous forecast, in view of expectations that activity will strengthen later in the year on the back of vaccines and additional policy support in some large economies.

Policy measures must ensure effective support until recovery is firmly on track, with the key imperatives being to stimulate potential output, ensure inclusive growth that benefits all, and accelerate the transition to lower carbon dependence. A stimulus to green investment, coupled with an initially modest but steady increase in carbon prices, would achieve a needed reduction in emissions and, at the same time, underpin the recovery from the recession caused by the pandemic.

To control the pandemic worldwide, close international cooperation is needed. These efforts are to strengthen funding for the Global Vaccine Access Fund (COVAX) to accelerate access to vaccines in all countries, ensuring universal distribution of vaccines and facilitating access to affordable treatment for all. Many countries, particularly low-income developing economies, were already experiencing high levels of indebtedness at the onset of the crisis, which will tend to increase during the pandemic. The global community will need to continue to work closely together to provide those countries with adequate access to international liquidity. In cases where

² International Monetary Fund World Economic Outlook, WEO January 2021, available at: <https://www.imf.org/en/Publications/WEO/Issues/2021/01/26/2021-world-economic-outlook-update>



sovereign debt is unsustainable, eligible countries should work with creditors to restructure their debt under the common framework agreed by the G-20.

The strength of recovery varies considerably across countries, depending on access to medical interventions, the effectiveness of policy support, exposure to cross-border economic repercussions, and the structural characteristics of each economy at the onset of the crisis.

For advanced economies, growth is projected at 4.3% in 2021 and 3.1% in 2022. In the United States and Japan, activity levels from late 2019 are expected to recover in the second half of 2021, both economies boosted by fiscal stimulus measures announced in late 2020. Thus, for the United States, growth is projected at 5.1% in 2021 (2 percentage points higher than the previous estimate) and 2.5% in 2022. In Japan, a variation of 3.1% is expected in 2021 (also revised upwards, in this case by 0.8%, with respect to the previous estimate) and 2.4% in 2022.

In the Eurozone and the UK, however, the level of activity is expected to remain below 2019 levels until 2022, due to the growth in the number of COVID-19 infections and new restrictions. Thus, in the Euro zone, an aggregate growth of 4.2% is expected in 2021 and 3.6% in 2022. Spain is expected to be the Eurozone country with the highest growth rate in 2021 (+5.9%) after the estimated decline of 11.1% in 2020, the worst performance in the Eurozone. By 2022, Spain is also expected to continue to grow above the European average (+4.7%, compared to +3.6% estimated for the Eurozone). As for the United Kingdom, after an expected fall of -10% in 2020, growth of 4.5% is expected in 2021 and 5% in 2022.

As regards emerging markets, their economies as a whole are expected to grow by 6.3% in 2021 and 5% in 2022, with a wide divergence from one country to another. In the case of China, growth is expected to be +8.1% in 2021 and +5.6% in 2022, as a result of effective pandemic containment measures, a strong public investment response, and liquidity support from the central bank. India³ is also expected to rebound strongly in 2021 (+11.5%) and 2022 (+6.8%). In Latin America, the economies most dependent on oil and tourism have worse prospects, given expectations of a slow return to cross-border travel and a subdued outlook for oil prices. In this context, for Latin America and the Caribbean as a whole, growth is expected to be 4.1% in 2021 and 2.9% in 2022. Brazil is expected to grow 3.6% in 2021 and 2.6% in 2022, while the expected growth for Mexico is 4.3% and 2.5%, respectively.

Sustainability events

Non-financial information

ACCIONA closed 2020 as the leading electricity utility company in sustainability, according to the Sustainability Yearbook 2021, elaborated by S&P Global. ACCIONA, with a score of 90 out of 100, leads the electricity utility sector.

For the preparation of this Yearbook, S&P Global analysed more than 7,032 top-level international companies, belonging to 61 sectors of activity. The applied methodology evaluates a broad concept of sustainability that includes economic, environmental, social and human resource variables.

As a result, S&P Global award ACCIONA the SAM Gold Class, a distinction that places it on the podium of the best utilities in the world in terms of sustainability.

³ In the case of India, the data and forecasts are based on the tax year; the 2020/2021 tax year begins in April 2020. India's growth projections are 7.6% in 2020 and 11% in 2021 on a calendar year basis.



Participation in initiatives

- ACCIONA joined the **European Alliance for a Green Recovery** alongside European business leaders, ministers, members of the European Parliament, and leaders of civil society, with the aim of urging governments in the European Union to give priority to green investments in their plans for economic recovery after the COVID-19 crisis.
- In response to the call for action against the COVID-19 pandemic by member companies of the **UN Global Compact** and the **World Business Council for Sustainable Development**, ACCIONA signed the manifesto by UN Secretary General António Guterres in favour of a green recovery, and it highlighted its response to the coronavirus by demonstrating how it had assured the continuity and quality of essential services with sustainable infrastructure solutions in Spain and other countries.
- ACCIONA has joined the global campaign '**Race to Zero**', within the United Nations Framework Convention on Climate Change (UNFCCC), to mobilise the leadership and commitment of companies, cities, regions and investors to achieve a healthy, resilient and low-carbon recovery that prevents future threats, creates jobs and unlocks inclusive and sustainable growth.
- The World Economic Forum chose ACCIONA's **GREENCHAIN®** as the innovation of the decade in the energy field. This blockchain-based platform guarantees the traceability of ACCIONA's renewable energy and is included in the catalogue of solutions that accelerate the energy transition.
- ACCIONA has joined the **Women's Empowerment Principles** by the **Global Compact** initiative, to promote gender equality through principles that serve as a guide for companies in areas such as women's empowerment, gender equality in the workplace and business environment.
- ACCIONA joined the **Target Gender Equality** initiative by the **Global Compact**.

Sustainable finance

ACCIONA uses two sustainable financing mechanisms: one aimed at projects or activities with sustainable objectives whose objective is to promote concrete positive impacts linked to financing, and corporate financing that entails commitments to improve ACCIONA's ESG performance.

Type of Financing	No. of current operations	No. of new operations or extensions in 2020	Current outstanding amount (€ M)
Project-directed financing	18	10	1,761
Corporate financing with sustainable commitments	5	--	3,712
Total	23	10	5,473



During the last year, the following operations stand out:

- NSV loan of 30 million euros to its green financing instruments.
- A bilateral green loan with Bankia of 165 million Australian dollars to finance the construction of the Mortlake wind farm.

ACCIONA has a Green Financing Framework under which eligible activities are those that are aligned with a low-carbon economy. The Framework has been reviewed by Sustainalytics, which issued a Second-Party Opinion (SPO) confirming that it is aligned with the Green Bond and Green Loan Principles.

During 2020, the Group added AUD 265 million in two green loans and issued close to EUR 370 million in debt capital markets. As a result, the financing instruments under ACCIONA's Green Financing Framework amounted to €1,700 million as of 31 December 2020.

On the other hand, the group receives financing linked to the achievement of environmental, social and governance (ESG) performance targets. In 2020, ACCIONA has 5 active operations where the interest rate of this financing has been linked to its score in the S&P Global Corporate Sustainability Assessment (CSA), meeting the objectives set to date.

In both cases, the company's investment is linked to the company's vocation to develop the sustainable agenda, such as renewable energy, access to water and sanitation, sustainable mobility or circular economy, and adaptation to climate change.

In addition, ACCIONA's funding position in the context of a green recovery was enhanced in 2020 by the assignment of an investment grade rating (“BBB” long term and “R-2 (middle)” short term) by DBRS Morningstar. This score is within the criteria for eligibility for the European Central Bank's bond purchasing programmes, including the Pandemic Emergency Purchase Programme (PEPP).

During 2020, ACCIONA classified its activities in accordance with the European Union taxonomy for sustainable finance. In 2020, it has republished and verified the degree of alignment with the taxonomy's demanding standards that require a substantial contribution to a low-carbon economy. 84 % of its capital expenditure, 84 % of its EBITDA and 47 % of its revenues fall within the requirements established¹

For more information:

<https://www.acciona.com/es/accionistas-inversores/informacion-bursatil/financiacion-sostenible/>

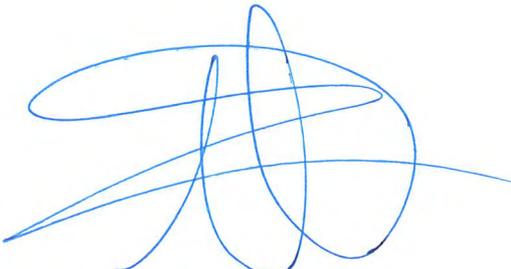
Average period of payment to suppliers and Corporate Social Responsibility

To the effects of the provisions in article 262.1 of Royal Legislative Decree 1/2010, of 2 July, whereby the consolidated text of the Capital Companies Act is approved, the information on the average period for payment to suppliers is contained in Note 24 to the financial statements. In addition, and in conformity with recommendation 55 of the Code of Good Governance of Listed Companies, it is hereby indicated that the aspects related to Corporate Social Responsibility are discussed in the Sustainability Report.

Annual Corporate Governance Report

The Annual Corporate Governance Report is available in its entirety on the National Securities Market Commission website (www.cnmv.es) and on the Company's website (www.acciona.es).

In addition, the Annual Corporate Governance Report will be notified to the National Securities Market Commission as a Material Event.



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For the purposes of Royal Decree 1362/2007 of 19 October (article 8.1 b), the Directors of Acciona, S.A., now subscribe the following **declaration under their own responsibility**:

To the best of their knowledge, the Annual Financial Statements drawn up in accordance with the applicable accounting principles offer a true and fair view of the equity, financial situation and results of the issuer and the Directors' report includes a faithful analysis of the business trend and results, together with the description of the main risks and uncertainties faced.

Therefore, in witness of their agreement herewith, all the members of the ACCIONA, S.A. Board of Directors formulate the Annual Financial Statements for the year 2020 in the meeting held on 18 February 2021:

Mr. José Manuel Entrecanales Domecq
Chairman

Mr. Juan Ignacio Entrecanales Franco
Vice-Chairman

Mr. Javier Entrecanales Franco
Member

Mr. Juan Carlos Garay Ibargaray
Member

Mr. Daniel Entrecanales Domecq
Member

Ms. Karen Christiana Figueres Olsen
Member

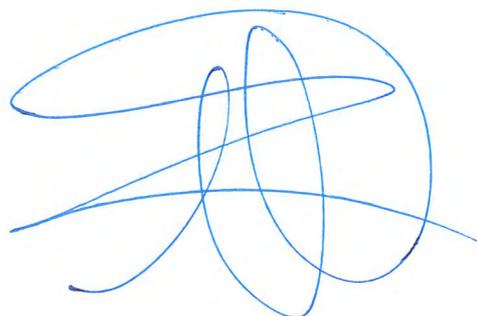
Mr. Javier Sendagorta Gómez del Campillo
Member

Mr. José María Pacheco Guardiola
Member

Mr. Jerónimo Marcos Gerard Rivero
Member

Ms. Sonia Dulá
Member

Mr. Ana Sainz de Vicuña Bemberg
Member

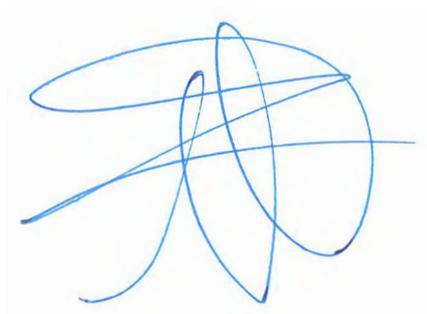


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En Madrid, a 19 de mayo de 2021

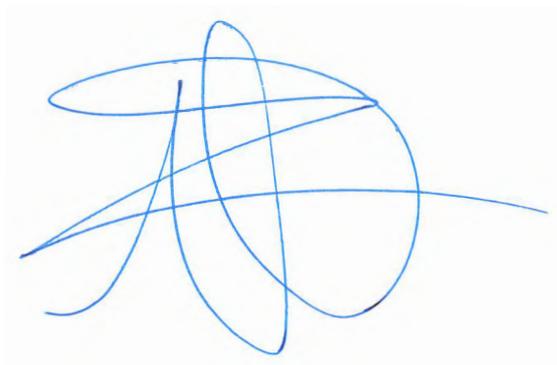
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Madrid, on the 19th day of May 2021

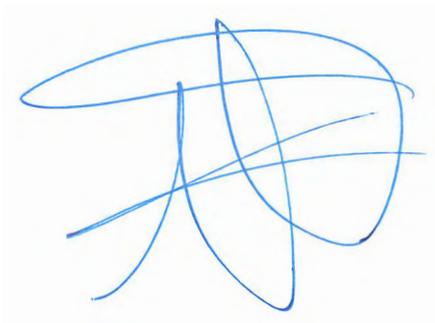
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En Madrid, a 19 de mayo de 2021

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Madrid, on the 19th day of May 2021

Signed:

