



Auditor's Report on  
Acciona Energía  
Financiación  
Filiales, S.A. (Sociedad  
Unipersonal)

(Together with the annual accounts and directors' report of Acciona Energía Financiación Filiales, S.A. (Sociedad Unipersonal) for the year ended 31 December 2021)

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



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

## **Independent Auditor's Report** **on the Annual Accounts**

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

To the Sole Shareholder of Acciona Energía Financiación Filiales, S.A. (Sociedad Unipersonal)

### **REPORT ON THE ANNUAL ACCOUNTS**

#### **Opinion**

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We have audited the annual accounts of Acciona Energía Financiación Filiales, S.A. (Sociedad Unipersonal) (the "Company"), which comprise the balance sheet at 31 December 2021, 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 annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2021, 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 annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

#### **Basis for Opinion**

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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 Annual Accounts* 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 annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

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



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

## Key Audit Matters

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

### Current and non-current loans to Group companies and associates See notes 4.a), 5 and 6 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Company has loans granted to Group companies and associates that are recorded under “Non-current investments in Group companies and associates” and “Current investments in Group companies and associates” amounting to Euros 492 million and Euros 1,181 million, respectively.</p> <p>At each reporting date, management and the Directors assess whether there is objective evidence that these financial assets may be impaired. A financial asset is considered to be impaired when its carrying amount is higher than its recoverable amount, which requires an impairment loss to be recognised together with the corresponding valuation adjustment.</p> <p>Due to the significance for the Company of the loans and credits to Group companies and associates and considering that in order to determine the recoverable amount it is necessary to estimate future cash flows using assumptions and estimates, which could give rise to significant differences with respect to the amounts recognised by the Company at the reporting date, we have considered this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>• Evaluating the design and implementation of key controls related to the process of identifying indications of impairment and valuing the loans and credits granted to Group companies and associates.</li><li>• Analysing the indicators of impairment of the loans to Group companies and associates identified by the Company.</li><li>• We also assessed whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</li></ul>

## Other Information: Directors' Report

Other information solely comprises the 2021 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the annual accounts.



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

Our audit opinion on the annual accounts does not encompass the directors' report. Our responsibility for the directors' report, in accordance with the requirements of prevailing legislation regulating the audit of accounts, consists of assessing and reporting on the consistency of the directors' report with the annual accounts, based on knowledge of the Company obtained during the audit of the aforementioned annual accounts, and assessing and reporting on whether the content and presentation 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 in the preceding paragraph, the information contained in the directors' report is consistent with that disclosed in the annual accounts for 2021 and the content and presentation of the report are in accordance with applicable legislation.

### **Directors' Responsibility for the Annual Accounts**\_\_\_\_\_

The Company's Directors are responsible for the preparation of the accompanying annual accounts 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 annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, 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.

### **Auditor's Responsibilities for the Audit of the Annual Accounts** \_\_\_\_\_

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

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



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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 annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Directors of the Company 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.



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From the matters communicated to the Directors of Acciona Energía Financiación Filiales, S.A. (Sociedad Unipersonal), we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the key audit matters.

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

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

*(Signed on original in Spanish)*

Ana Fernández Poderós  
On the Spanish Official Register of Auditors ("ROAC") with No. 15,547

30 June 2022

**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**

**NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

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**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**

**Annual Accounts and Directors' Report for the year ended 31 December 2021**

**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**

**BALANCE SHEET AT 31 DECEMBER 2021**

(Thousands of Euros)

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

ASSETS	Note to the Annual Acc	31/12/2021	LIABILITIES	Note to the Annual Acc	31/12/2021
<b>NON-CURRENT ASSETS</b>		<b>492.556</b>	<b>EQUITY</b>		<b>278.967</b>
<b>Non-current investments in Group companies and associates</b>	<b>Note 5</b>	<b>492.556</b>	<b>CAPITAL AND RESERVES-</b>	<b>Note 9</b>	<b>274.732</b>
Loans to companies		492.556	Capital		60
			Registered capital		60
			<b>Reserves</b>		<b>(1)</b>
			Other reserves		(1)
			<b>Other shareholder contributions</b>		<b>274.161</b>
			<b>Profit for the year</b>		<b>512</b>
			<b>VALUATION ADJUSTMENTS-</b>	<b>Note 7</b>	<b>4.235</b>
			Hedging transactions		4.235
<b>CURRENT ASSETS</b>		<b>1.464.038</b>	<b>NON-CURRENT LIABILITIES</b>		<b>1.118.051</b>
<b>Current investments in Group companies and associates</b>	<b>Note 6</b>	<b>1.181.053</b>	<b>Non-current payables</b>	<b>Note 11</b>	<b>1.116.639</b>
Loans to companies		1.180.545	Bonds and other marketable securities		496.772
Other financial assets		508	Loans and borrowings		619.867
<b>Current investments</b>	<b>Note 7</b>	<b>5.677</b>			
Derivatives		5.647	<b>Deferred tax liabilities</b>	<b>Note 15</b>	<b>1.412</b>
Other financial assets		30			
<b>Cash and cash equivalents</b>	<b>Note 8</b>	<b>277.308</b>	<b>CURRENT LIABILITIES</b>		<b>559.576</b>
Cash		277.308	<b>Current payables</b>	<b>Note 12</b>	<b>510.989</b>
			Bonds and other marketable securities		509.126
			Loans and borrowings		1.700
			Derivatives		163
			<b>Group companies and associates, current</b>	<b>Note 13</b>	<b>48.477</b>
			<b>Trade and other payables</b>	<b>Note 14</b>	<b>110</b>
			Other payables		72
			Public entities, other		38
<b>TOTAL ASSETS</b>		<b>1.956.594</b>	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1.956.594</b>

The accompanying notes 1 to 21 form an integral part of the balance sheet at 31 December 2021.



## ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.

### INCOME STATEMENT FOR 2021

(Thousands of Euros)

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

	Note to the Annual Acco	2021 (*)
<b>CONTINUING OPERATIONS</b>		
<b>Revenue</b>	<b>Note 17 a)</b>	<b>9.479</b>
Finance income		9.479
<b>Other operating expenses</b>		<b>(508)</b>
External services	<b>Note 17 c)</b>	(508)
<b>RESULTS FROM OPERATING ACTIVITIES</b>		
		<b>8.971</b>
<b>Finance costs</b>	<b>Note 17 d)</b>	<b>(10.078)</b>
Group companies and associates		(19)
Other		(10.059)
<b>Exchange gains</b>	<b>Note 17 e)</b>	<b>1.789</b>
<b>NET FINANCE COST</b>		
		<b>(8.289)</b>
<b>PROFIT BEFORE INCOME TAX</b>		
		<b>682</b>
Income tax	<b>Note 15 c)</b>	(170)
<b>PROFIT FROM CONTINUING OPERATIONS</b>		
		<b>512</b>
<b>PROFIT FOR THE YEAR</b>		
		<b>512</b>

Notes 1 to 21 form an integral part of the income statement for 2021.

(\*) The year ended 31 December 2021 is a period spanning 9 months and 7 days.

## ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.

### STATEMENT OF CHANGES IN EQUITY FOR 2021 A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Thousands of Euros)

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

	2021 (*)
<b>PROFIT FOR THE YEAR (I)</b>	<b>512</b>
<b>Income and expense recognised directly in equity</b>	
Cash flow hedges	5.647
Tax effect	(1.412)
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)</b>	<b>4.235</b>
<b>Amounts transferred to the income statement</b>	
Cash flow hedges	
Tax effect	
<b>TOTAL AMOUNTS TRANSFERRED TO THE INCOME STATEMENT (III)</b>	<b>--</b>
<b>TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)</b>	<b>4.747</b>

Notes 1 to 21 form an integral part of the statement of recognised income and expense for 2021.

## ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.

### STATEMENT OF CHANGES IN EQUITY FOR 2021

### B) STATEMENT OF TOTAL CHANGES IN EQUITY

(Thousands of Euros)

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

	Capital	Share premium	Reserves	Prior years' profit/loss	Other shareholder contributions	Profit for the year	Valuation adjustments	TOTAL
<b>CLOSING BALANCE AT 24/03/2021</b>								
I. Total recognised income and expense	--	--	--	--	--	512	4.235	4.747
II. Transactions with shareholders or owners	60	--	--	--	274.161	--	--	274.221
Other transactions with shareholders	60	--	--	--	274.161	--	--	274.221
III. Distribution of profit	--	--	--	--	--	--	--	--
IV. Other changes in equity	--	--	(1)	--	--	--	--	(1)
<b>CLOSING BALANCE AT 31/12/2021 (*)</b>	<b>60</b>		<b>(1)</b>	--	<b>274.161</b>	<b>512</b>	<b>4.235</b>	<b>278.967</b>

The accompanying notes 1 to 21 form an integral part of the statement of total changes in equity for 2021.

(\*) The year ended 31 December 2021 is a period spanning 9 months and 7 days.

# ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.

## STATEMENT OF CASH FLOWS FOR 2021

(Thousands of Euros)

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

	2021 (*)
<b>CASH FLOWS FROM OPERATING ACTIVITIES (I)</b>	<b>806</b>
Profit for the year before tax	682
Adjustments:	(1.190)
- Finance income	(9.479)
- Finance costs	10.078
- Exchange gains	(1.789)
<b>Changes in operating assets and liabilities</b>	<b>110</b>
- Trade and other payables	110
<b>Other cash flows from operating activities</b>	<b>1.204</b>
- Interest paid	(2.864)
- Interest received	4.746
- Dividends received	--
- Income tax paid	(678)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES (III)</b>	<b>(1.399.388)</b>
<b>Payments for investments</b>	<b>(1.399.388)</b>
- Group companies and associates	(1.399.388)
<b>Proceeds from divestments</b>	<b>--</b>
- Group companies and associates	--
- Issue of debt with Group companies and associates	--
<b>CASH FLOWS FROM FINANCING ACTIVITIES (II)</b>	<b>1.675.942</b>
<b>Proceeds from and payments for equity instruments</b>	<b>--</b>
- Issue of equity instruments	--
<b>Proceeds from and payments for financial liability instruments</b>	<b>1.675.942</b>
- Repayment of payables to group companies and associates	--
- Issue of debt with Group companies and associates	48.477
- Loans and borrowings	621.567
- Bonds and other marketable securities	1.005.898
<b>EFFECT OF EXCHANGE RATE FLUCTUATIONS (IV)</b>	<b>(52)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III+IV)</b>	<b>277.308</b>
Cash and cash equivalents at beginning of year	0
Cash and cash equivalents at year end	277.308

The accompanying notes 1 to 21 form an integral part of the statement of cash flows for 2021.

**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**  
**NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

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**1. ACTIVITY OF THE COMPANY**

Acciona Energía Financiación Filiales, S.A.U. (hereinafter the Company) was incorporated with limited liability on 24 March 2021.

Its registered office and head offices are located at Avenida de Europa 10, Alcobendas (Madrid).

The Company is registered as carrying out the activity corresponding to category 6499 of the National Classification of Economic Activities (CNAE).

Pursuant to article 13 of the Revised Spanish Companies Act, Acciona Energía Financiación Filiales, S.A. has been filed at the Mercantile Registry as a solely-owned company (“*Sociedad Unipersonal*”).

The Company’s statutory activity is as follows:

- a) Manage, optimise and channel the monetary resources and cover the cash needs of the sole shareholder Corporación Acciona Energías Renovables, S.A. and the companies within its group in accordance with article 42 of the Spanish Code of Commerce.
- b) Manage and perform collections and payments on behalf of the aforementioned companies.

Its statutory activity can be fully or partially performed by the Company directly or indirectly, by holding shares and interests in companies with the same or a similar statutory activity, both in Spain and abroad.

Its principal activity consists of providing financing to direct or indirect investees within the energy group, .

All activities for which other special legal requirements or regulatory capital must be fulfilled are excluded from the Company's statutory activity.

If legal provisions require a professional qualification, governmental authorisation or inclusion in a public register to carry out any of these statutory activities, they may not be undertaken until the administrative requirements have been met and, if necessary, they must be carried out by a duly qualified person, specifying the statutory activity in the intermediation or coordination of such activity.

The Company has no employees or administrative offices, and it is managed by its sole shareholder Corporación Acciona Energías Renovables, S.A. (a listed company) at an administrative and operational level.

**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**  
**NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

The Company forms part of the Acciona Group, the Parent of which is Acciona, S.A. with registered office at Avenida de Europa, 18, Alcobendas (Madrid). The Parent prepares the consolidated annual accounts. The Acciona, S.A. Group's consolidated annual accounts for 2020 were approved by the shareholders at the annual general meeting held on 30 June 2021 and were filed at the Madrid Mercantile Registry.

COVID-19

On 11 March 2020 the World Health Organization declared the health crisis triggered by the outbreak of Coronavirus disease (COVID-19) to be a global pandemic following its emergence in China in January 2020 and the ensuing rapid spread throughout the world.

During 2020 the hardest hit countries implemented a range of measures aimed at shielding the population and restricting movement within and between countries, as well as the temporary suspension of certain business activities. The European Central Bank, Federal Reserve, governments, and other national and international financial and supervisory bodies have taken steps to mitigate the economic and social impacts arising as a result of the extraordinary measures implemented to control the pandemic.

In 2020 the most significant adverse impact on the Group's activities and businesses was the drop in demand for electricity and the effect of this on market prices. Other negative impacts comprised certain delays in investments to be made and the difficulty in accessing materials or equipment for adequate maintenance of assets.

During the first half of 2021 strategies implemented by governments to combat COVID-19 were focused on maintaining restrictions to control the pandemic, although these restrictions were less strict than in 2020; together with the vaccination of the population, albeit not at the expected rate. As of the second quarter of 2021 restrictions in the majority of European countries were eased as the vaccination rate picked up.

In the Group's business most of the negative effects in the previous year have been mitigated as the aforementioned strategies have been yielding results. However, electricity demand, both nationally and internationally, has not reached pre-pandemic levels. Variants that may emerge from the virus and the unequal distribution of vaccines globally continue to generate uncertainty with regard to the future consequences that could arise and the economic and financial impacts on the Group's activities during 2022.

At the date these annual accounts were authorised for issue, there have been no significant impacts on the Company's assets and liabilities as a result of COVID-19.

**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**  
**NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

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**2. BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS**

**a) Financial reporting framework applicable to the Company**

These annual accounts have been prepared by the directors in accordance with the financial reporting framework applicable to the Company, which is that set forth in the following:

- a) The Spanish Code of Commerce and other commercial legislation.
- b) The Spanish General Chart of Accounts approved by Royal Decree 1514/2007 and sector adaptations.
- c) Mandatory standards approved by the Spanish Accounting and Auditing Institute (ICAC) in drafting the Spanish General Chart of Accounts and its supplementary standards.

On 30 January 2021 Royal Decree 1/2021 of 12 January 2021 was published, introducing changes to the Spanish General Chart of Accounts, approved by Royal Decree 1514/2007 of 16 November 2007, that are applicable to accounting periods beginning on or after 1 January 2021 and focus on the criteria for recognition, measurement and disclosure of revenue from the delivery of goods and services, financial instruments, hedge accounting, measurement of inventories of listed commodities traded by brokers, and the definition of fair value.

Furthermore, on 13 February 2021 the Spanish Accounting and Auditing Institute's Resolution of 10 February 2021 was published, setting out the standards with regard to recognition, measurement and the preparation of annual accounts for the purpose of recognising revenue from the delivery of goods and rendering of services.

- d) All other applicable Spanish accounting legislation.

**b) True and fair view**

The annual accounts for 2021, which are expressed in thousands of Euros, have been prepared on the basis of the accounting records of Acciona Energía Financiación Filiales, S.A.U. in accordance with prevailing legislation and the Spanish General Chart of Accounts to give a true and fair view of the equity and financial position at 31 December 2021 and results of operations, changes in equity, and cash flows for the year then ended.

The directors consider that the annual accounts for 2021, authorised for issue on 22 February 2022, will be approved with no changes by the shareholders at their annual general meeting.

**c) Non-mandatory accounting principles**

Only mandatory accounting principles in force at the date of preparation of the accompanying annual accounts have been applied, and all mandatory accounting principles and standards having a significant effect hereon have been taken into consideration. All mandatory accounting principles were applied.

## **ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**

### **NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

#### **d) Accounting estimates and judgements**

When preparing the accompanying annual accounts, the Company's directors have used estimates to measure certain assets, liabilities, results and commitments. These estimates mainly comprise:

- Assumptions used to calculate the recoverable amount of investments in Group companies and associates (loans to Group companies) (see note 4 a)).

Although these estimates have been made based on the best information available at 31 December 2021, future events could require these estimates to be modified (increased or decreased) at subsequent reporting dates and in subsequent years, in accordance with prevailing legislation. Any such changes would be recognised prospectively.

#### **e) Comparative information**

As explained in note 1, the Company was incorporated on 24 March 2021 and, therefore, these annual accounts are for the period from 24 March 2021 to 31 December 2021. Since this is the Company's first year of activity, the directors have not included comparative figures in the balance sheet, income statement, statement of changes in equity, statement of cash flows, or the notes thereto.

#### **f) Aggregation of items**

Certain items in the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped to facilitate understanding, although if significant, a breakdown is included in the corresponding notes to the annual accounts.

#### **g) Other**

Article 107 of Law 62/2003 of 30 December 2003, on tax, administrative and social measures, introduces provision sixteen to article 525 of the Spanish Companies Act, stipulating that companies which have issued securities that are admitted to trading on a regulated market of any European Union member state, and which only prepare individual annual accounts, in accordance with prevailing legislation, are to disclose the main changes in equity and profit or loss that would have arisen had International Financial Reporting Standards as adopted by European Union regulations (IFRS-EU) been applied. At 31 December 2021 there are no differences in equity and profit with respect to the balances that would be presented under IFRS.

### **3. PROPOSED DISTRIBUTION OF PROFIT**

The directors of the Company will propose to the shareholders that the profit for 2021 be distributed as follows:



**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**  
**NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

	<b>Euros</b>
Legal reserve	12,000
Voluntary reserves	500,307.55
<b>Total profit</b>	<b>512,307.55</b>

#### **4. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying annual accounts for 2021 have been prepared in accordance with accounting principles established in the Spanish General Chart of Accounts, the most significant of which are as follows:

##### **a) Financial instruments**

###### **Financial assets**

The Company classifies its financial assets according to their measurement category, which is determined on the basis of the business model and the contractual cash flow characteristics, and reclassifies the financial assets when, and only when, it changes its business model for managing these assets.

Acquisitions and disposals of investments are accounted for at the trade date, which is the date that the Company commits itself to purchase or sell the asset, and assets are classified upon acquisition in the following categories:

(i) *Financial assets at amortised cost*

These are non-derivative financial assets that are held to collect contractual cash flows that are solely payments of principal and interest. They are included under current assets unless they mature more than 12 months after the reporting date, in which case they are classified as non-current assets.

They are initially recognised at fair value and subsequently at amortised cost using the effective interest method. Interest income from these financial assets is included in finance income, any gain or loss that arises upon derecognition is recognised directly in the Company's profit or loss and impairment losses are presented as a separate item in the income statement for the year.

(ii) *Impairment of financial assets*

A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and the event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company recognises impairment on financial assets at amortised cost when estimated future cash flows are reduced or delayed due to debtor insolvency.

**ACCIONA ENERGÍA FINANCIACION FILIALES, S.A.U.**  
**NOTES TO THE ANNUAL ACCOUNTS FOR 2021**

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

For equity instruments, objective evidence of impairment exists when the carrying amount of an asset is uncollectible due to a significant or prolonged decline in its fair value.

- Impairment of financial assets carried at amortised cost

The amount of the impairment loss of financial assets carried at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. For variable income financial assets, the effective interest rate corresponding to the measurement date under the contractual conditions is used. Nevertheless, the Company uses the market value, providing this is sufficiently reliable to be considered representative of the recoverable amount.

The impairment loss is recognised in profit and loss and may be reversed in subsequent periods if the decrease can be objectively related to an event occurring after the impairment has been recognised. The loss can only be reversed up to the limit of the amortised cost of the assets had the impairment loss not been recognised.

The Company directly reduces the carrying amount of a financial asset when it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

### **Financial liabilities**

- (i) *Financial liabilities at amortised cost*

Financial liabilities are initially recognised at fair value less any transaction costs. Any difference between the amount received and the maturity amount is recognised in the income statement during the financial debt repayment period, using the effective interest method, and the financial liabilities are classified as subsequently measured at amortised cost.

In a contractual modification of a liability at amortised cost that does not result in derecognition, the carrying amount of the financial liability is adjusted for any transaction costs or any fees and commissions incurred. From that date onwards, the amortised cost of the financial liability is determined by applying the effective interest rate, which is the rate that exactly discounts the estimated cash payments to the carrying amount of the liability under the new terms.

The difference between the carrying amount of an extinguished financial liability and the consideration paid is recognised in profit or loss for the period.

Financial debt is classified under current liabilities unless the debt falls due more than 12 months after the reporting date or includes automatic renewal clauses that can be exercised by the Company.

In addition, current trade and other payables are current financial liabilities that are initially measured at fair value, do not explicitly accrue interest and are recognised at their nominal amount. Payables falling due in more than 12 months are considered non-current payables.

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**b) Hedge accounting**

Derivative financial instruments are initially recognised using the same criteria as those described for financial assets and financial liabilities. Derivative financial instruments that do not meet hedge accounting requirements are classified and measured as financial assets and financial liabilities at fair value through profit or loss. Derivative financial instruments which qualify for hedge accounting are initially measured at fair value, plus any transaction costs that are directly attributable to the acquisition, or less any transaction costs directly attributable to the issue of the financial instruments. Nonetheless, transaction costs are subsequently recognised in profit and loss, inasmuch as they do not form part of the changes in the effective value of the hedge.

At the inception of the hedge the Company formally designates and documents the hedging relationships and the objective and strategy for undertaking the hedges. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will measure hedge effectiveness.

Hedging transactions qualify for hedge accounting when there is an economic relationship between the hedged item and the hedging instrument, the effect of credit risk does not dominate the value changes that result from that economic relationship and the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually uses to hedge that quantity of hedged item. However, that designation should not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness, irrespective of whether recognised or not, that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting.

The Company assesses at the inception of the hedging relationship, and on an ongoing basis, whether a hedging relationship meets the hedge effectiveness requirements prospectively. The Company assesses hedge effectiveness at each reporting date or when significant changes arise that affect the hedge effectiveness requirements.

The Company assesses the quality of the hedge effectiveness provided that the critical terms of the instrument and hedged item are aligned. When the critical terms are not aligned, the Company uses a hypothetical derivative with terms that match the critical terms of the hedged item to assess and measure hedge effectiveness

**c) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and demand deposits in financial institutions. They also include other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a maturity of less than three months from the date of acquisition.

The Company recognises cash payments and receipts for financial assets and financial liabilities in which turnover is quick on a net basis in the statement of cash flows. Turnover is considered to be quick when the period between the date of acquisition and maturity does not exceed six months.

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**d) Recognition of income and expenses**

Income and expenses are recognised on an accruals basis, i.e. when the actual flow of the related goods and services occurs, irrespective of collections and payments. This income is measured at the fair value of the consideration received, net of discounts and taxes.

As a holding company, interest earned on financing extended to its investees, as well as profits obtained on services rendered to subsidiaries, jointly controlled entities and associates, are recognised under revenue in the accompanying income statement.

Interest income is recognised using the effective interest method. Dividends received are recognised when the right to receive payment is established, which is generally when the dividend is approved by the governing body of the company distributing it. If the dividends are clearly derived from profits generated prior to the investee acquisition date, the carrying amount of the investment is reduced rather than recognising income.

**e) Income tax**

The income tax expense or tax income for the year comprises current tax and deferred tax.

Current tax is the amount of taxes payable by the Company as a result of income tax settlements for a period. Deductions and other tax relief applicable to tax payable, excluding withholdings and payments on account, and tax loss carryforwards applied in the current reporting period are accounted for as a reduction in current tax.

Deferred tax income or expenses derive from the recognition and cancellation of deferred tax assets and liabilities. These include temporary differences, which are defined as the amounts which are expected to be paid or recovered in the future for differences between the carrying amount of assets and liabilities and their tax bases, as well as unused tax loss carryforwards and tax deductions. These amounts are recognised by applying the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognised for all taxable temporary differences, unless the temporary difference arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income.

Deferred tax assets are recognised only to the extent that it is probable that the Company will obtain future taxable profit against which they can be utilised.

Deferred tax assets and liabilities deriving from transactions with direct debits or credits to equity accounts are also recognised with a balancing entry in equity.

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Recognised deferred tax assets are reassessed at each reporting date and adjusted if there are doubts as to their future recovery. Likewise, unrecognised deferred tax assets are assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. No deferred tax assets or liabilities were recognised in 2021.

As permitted by the relevant authorities, the Company files consolidated tax returns with consolidated tax group 30/96, the parent of which is Acciona, S.A.

**f) Environmental activities**

Environmental activities comprise the measures taken to prevent, reduce or repair the damage caused to the environment by the Group's activities.

Investments in environmental activities are stated at cost and capitalised as an increase in the carrying amount of the assets in the year in which they are made.

Costs related to these activities are expensed in the year in which they are incurred, irrespective of when the corresponding payment is made.

Provisions in respect of unquantified probable or known liabilities, litigation underway, compensation or pending obligations of an environmental nature, not covered by insurance, are made when the liability or payment obligation arises.

On account of its nature, the Company's activity does not have a significant impact on the environment and, accordingly, no specifics in this respect are included in these notes to the annual accounts.

**g) Statements of cash flows**

Statements of cash flows are prepared using the indirect method and the following expressions and definitions:

- Cash flows: inflows and outflows of cash and cash equivalents comprising movements of short-term highly-liquid investments.
- Operating activities: usual activity of the entity and other activities not classified as investing or financing activities.
- Investing activities: the acquisition and disposal of long-term assets and other short-term investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of equity and of liabilities, and which do not form part of operating activities.

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**h) Related party transactions**

The Company carries out all transactions with related parties on an arm's length basis. Transfer pricing is adequately documented and the Company's directors therefore consider that no significant risks exist in this respect which could give rise to substantial liabilities in the future.

**i) Current/Non-current classification**

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; as well as other assets that are expected to mature, be disposed of or realised in the near term after the end of the reporting period; and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle; and, in general, all obligations that will mature or be extinguished in the short term. All other liabilities are classified as non-current.

**(j) Foreign currency transactions**

Foreign currency transactions are translated into Euros using the exchange rate prevailing at the transaction date. Gains and losses arising on the settlement of these transactions and the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

**5. NON-CURRENT INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES**

Details of investments in Group companies and associates, by category, at 31 December 2021 are as follows (in thousands of Euros):

	2021	
	At cost	At amortised cost
Loans to companies	-	492,556
<b>Non-current investments</b>	<b>-</b>	<b>492,556</b>

Details of the composition of and movement in this item are as follows (in thousands of Euros):

	Balance at 31/12/2020	Additions	Disposals	Transfers and other variations	Balance at 31/12/2021
- Loans to Group companies	-	494,639	(3,641)	1,558	492,556
<b>Total investments in Group companies and associates</b>	<b>-</b>	<b>494,639</b>	<b>(3,641)</b>	<b>1,558</b>	<b>492,556</b>

The carrying amounts do not differ significantly from their fair value.

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a) Investments in Group companies and associates

At 31 December 2021 the Company holds an investment in Acciona Energía Financiación de Filiales Australia Pty. amounting to Euros 60 thousand and yet to be paid in. This investee is wholly owned by the Company.

b) Loans to Group companies and associates

Details of the main loans to Group companies and associates at 31 December 2021, in thousands of Euros, are as follows:

	2021	
	Non-current	
	Loans	Impairment
Acciona Eólica Santa Cruz, S. de R.L. de C.V.	151,625	--
Parques Eólicos de San Lázaro, S.A. de C.V.	132,850	--
Energía Renovable del Istmo II, S.A. de C.V.	205,181	--
Acciona Esco, S.L.	2,900	--
<b>Total loans to Group companies</b>	<b>492,556</b>	<b>--</b>

Details of non-current loans in currencies other than the Euro at year-end 2021, in thousands of Euros, are as follows:

	Balance in US Dollars
<b>Group companies</b>	<b>31/12/2021</b>
Acciona Eólica Santa Cruz, S. de R.L. de C.V.	171,731
Parques Eólicos de San Lázaro, S.A. de C.V.	150,466
Energía Renovable del Istmo II, S.A. de C.V.	232,387
<b>Total</b>	<b>554,584</b>

In 2021 Corporación Acciona Energías Renovables, S.A. transferred to the Company the amounts receivable in US Dollars from Acciona Eólica Santa Cruz, Parque Eólicos de San Lázaro and Energía Renovable del Istmo II, a portion of which was paid and a portion of which was recognised as a shareholder contribution (see note 9).

Moreover, in 2021 the Company extended a loan to Acciona Esco, S.L.

The main movements in 2021, after the initial addition, reflected repayments of the loan principal extended to Energía Renovable del Istmo II and exchange differences.

These loans fall due between December 2026 and March 2037 and accrue interest at a floating rate pegged to the Euribor or USD Libor plus a market spread.

Details of the main non-current loans extended by the Company at 31 December 2021 are as follows:

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Start date	Drawn down at 31/12/2021	Contractual maturity	Company
01/12/2021	151,625	15/06/2037	Acciona Eólica Santa Cruz, S. de R.L. de C.V
01/12/2021	132,850	15/06/2037	Parques Eólicos de San Lázaro, S.A. de C.V.
01/12/2021	205,181	15/06/2037	Energía Renovable del Istmo II, S.A. de C.V.
18/11/2021	2,900	31/03/2026	Acciona Esco, S.L.

## 6. CURRENT INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES

Details of investments in Group companies and associates, by category, at 31 December 2021 are as follows (in thousands of Euros):

	2021	
	At cost	At amortised cost
Loans to companies	--	1,181,053
<b>Current investments</b>	<b>--</b>	<b>1,181,053</b>

Details at 31 December 2021 (in thousands of Euros) are as follows:

	Balance at 31/12/2021
Loans to Group companies and associates	1,180,545
Other financial assets	508
<b>Total</b>	<b>1,181,053</b>

### a) Loans to Group companies and associates

Current loans to Group companies and associates comprise the principals of the loans extended to Acciona Eólica Santa Cruz, Parque Eólicos de San Lázaro and Energía Renovable del Istmo II that fall due in the short term, as well as accrued interest payable thereon. This item also includes accrued interest payable on the loan extended to Acciona Esco, S.L. and a balance receivable from Corporación Acciona Energías Renovables, S.A. for the short-term financing provided through a cash pooling agreement, as well as the outstanding interest thereon. At 31 December 2021 the balance amounted to Euros 1,143,088 thousand in principal and Euros 4,036 thousand in interest (see note 10 c)).

As part of its mission to optimise and manage the cash of the companies making up the subgroup parented by Corporación Acciona Energías Renovables, S.A.U., the Company has put in place a sweeping system for the current accounts of the different Group subsidiaries. This system operates like a cash pool, remunerating the sweep balances receivable and payable at a



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fixed market rate. On 5 July 2021 a cash pooling agreement was arranged between Acciona Energía Financiación de Filiales S.A.U. and Acciona Energía Financiación de Filiales, S.A. within the centralised cash pooling system, with a credit limit of Euros 2,634 million.

Details of the main current loans to Group companies and associates at 31 December 2021, in thousands of Euros, are as follows:

<b>Current loans to Group companies:</b>	<b>31/12/2021</b>
Acciona Eólica Santa Cruz, S. de R.L. de C.V	10,347
Parques Eólicos de San Lázaro, S.A. de C.V.	9,066
Energía Renovable del Istmo II, S.A. de C.V.	14,002
Acciona Esco, S.L.	6
Corporación Acciona Energías Renovables, S.L. (Cash Pooling)	1,147,124
<b>Total loans to Group companies</b>	<b>1,180,545</b>

b) Other financial assets

Other financial assets comprise the balance with Acciona, S.A., which reflects the amount receivable by the Company as a result of filing consolidated income tax (see note 4 f)).

## 7. CURRENT INVESTMENTS

Details at 31 December 2021 (in thousands of Euros) are as follows:

	<b>Balance at 31/12/2021</b>
Derivatives	5,647
Other financial assets	30
<b>Total</b>	<b>5,677</b>

a) Derivatives

The Company uses derivative financial instruments to hedge the risks to which its business activities, operations and future cash flows are exposed. Within the framework of these operations, the Company has arranged certain financial hedging instruments for interest rates and exchange rates.

The Company complies with the requirements detailed in this note on accounting principles in order to classify the financial instruments detailed below as hedges. These have been formally designated as hedging instruments and they have been confirmed as effective.

As indicated in note 11, the Company's financing comes from the issue of two bonds of Euros 500 million each, one with a term of 8 years (issued in 2021) and the other with a term of 10 years (issued in 2022), which replaced the Company's loans and borrowings. An 8-year derivative was arranged for the second bond as of 31 March 2022 so as to mitigate the effect of interest rate changes.

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This financial derivative is in the money and gave rise to an asset of Euros 5,647 thousand.

The position of this derivative at 31 December 2021 is as follows:

	<b>Balance at 31/12/2021</b>
Fair value	5,647
Tax effect (note 15 b))	(1,412)
<b>Total effect on equity</b>	<b>4,235</b>

Details of this derivative are as follows:

<b>Notional (in thousands of Euros)</b>	
31 December 2021	450,000
Variable rate	6m Euribor
Fixed rate of around	0.05%
Expiration	31/03/2030
Fixed rate payer	Company
Variable rate payer	Financial institutions

**b) Other financial assets**

This item includes a deposit given to the Irish Stock Exchange in relation to the costs incurred to place quoted debt issues.

**8. CASH AND CASH EQUIVALENTS**

The Company has various credit facilities, in Euros and multi-currency, with a total limit of Euros 266 million at 31 December 2021. As a result of obtaining financing through the issue of bonds and bank debt (see note 11), these facilities show a balance receivable and have been reclassified here under assets.

Details of the main facilities (nominal amounts without arrangement fees) at 31 December 2021, in thousands of Euros, are as follows:

	<b>Currency</b>	<b>Limit</b>	<b>Amount drawn down</b>	<b>Final maturity</b>
Credit facility (BBVA)	EUR	75,000	(53,640)	25/06/2022
Credit facility (SCH)	EUR	75,000	(183,939)	22/06/2022
Credit facility (BANKINTER)	EUR	4,000	(3,036)	01/07/2022
Credit facility (CAIXABANK)	EUR	75,000	(32,041)	30/06/2023
Credit facility (SABADELL)	EUR	12,000	(4,652)	30/06/2022
Credit facility (BANKINTER)	Multi-currency	25,000	-	15/09/2022
<b>Total</b>		<b>266,000</b>	<b>(277,308)</b>	

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**9. EQUITY AND CAPITAL AND RESERVES**

**a) Subscribed capital**

At 31 December 2021 the Company's share capital is represented by 60,000 shares of Euros 1 par value each, subscribed and fully paid. All the shares had the same voting and profit-sharing rights and were held by Corporación Acciones Energías Renovables, S.A.U. As such, the Company is solely-owned.

**b) Reserves**

At 31 December 2021 the Company's other reserves show a negative balance of Euros 1 thousand because costs incurred on own share transactions are recognised directly in reserves, net of the tax effect.

**i. Legal reserve**

The Revised Spanish Companies Act requires that companies transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to 20% of share capital. The legal reserve can be used to increase share capital provided that the balance left on the reserve is equal to at least 10% of the nominal amount of the total share capital after the increase. Except for this purpose, until the reserve exceeds 20% of share capital it may only be used to offset losses if no other reserves are available and must be replenished by future profits.

This reserve has not been designated at the 2021 year end given that this is the first year of operation of the Company.

**ii. Other reserves**

At 31 December 2021 the Company's other reserves show a negative balance of Euros 1 thousand because costs incurred on own share transactions are recognised directly in reserves, net of the tax effect.

**c) Other shareholder contributions**

At 31 December 2021 this item comprises Euros 274,161 thousand, which includes the sole shareholder contribution of Euros 50,000 thousand made in December 2021 and the transfer of the sole shareholder's Euros 224,161 thousand (US Dollars 254,714 thousand) loan extended to Energía Renovable del Istmo II, S.A. de C.V.

**d) Valuation adjustments**

This item reflects the net tax effect of the fair value measurement of financial derivatives designated as cash flow hedging instruments (see notes 4 a), 4 c) and 9 a)).

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## **10. RISK MANAGEMENT POLICY**

Due to its activity, the Company is exposed to certain financial risks, which are appropriately managed through systems for identifying, measuring and valuing different types of risk.

In line with the policies set out by the Acciona Group (see note 1), risk management is based on the global risk management system, and a set of specific procedures within that system, the objective of which is firstly to identify, assess and mitigate risks and subsequently to obtain sufficient insurance cover to safeguard the Company's financial solvency.

Each of the Acciona Group's areas of activity, specifically its Energy Division to which the Company belongs, implements its own risk assessment and control policy. The Group establishes the maximum acceptable risks for each business, which are coordinated to be consistent with the Group's global risk management policy and thereby enable the Group's overall risk exposure to be determined at any time.

### Financial risk management objectives

The main functions of the Company's treasury department are to provide services to the business, coordinate access to financial markets, and monitor and manage risks relating to the Company's operations.

The exposure, level and magnitude of such risks are analysed to this end. These risks include market risk (which encompasses currency, interest rate and price risks), credit risk and liquidity risk.

### Interest rate risk

Changes in interest rates affect the future cash flows from assets and liabilities indexed to a variable rate of interest.

The benchmark interest rate on debt arranged by Group companies is primarily the Libor and, to a lesser extent, the Euribor.

The Company avails of foreign markets to raise financing, mainly through the issue of bonds, at fixed interest rates.

The Company also has various credit facilities and bank loans that accrue interest pegged to the Euribor.

The impact of fluctuations therein are sometimes mitigated by arranging hedging derivatives (see note 7 a)). The Group's finance department is responsible for managing currency risk using non-speculative hedging criteria.

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*Credit risk management*

Credit risk arises when the counterparty does not fulfil their contractual obligations, thereby generating financial losses for the Company. The Company is not significantly exposed to this risk with any of its customers as most are Group companies or associates which, in turn, carry out business with solvent electricity distributors.

*Liquidity risk management*

The Company manages liquidity risk prudently, maintaining sufficient cash and cash equivalents, as well as arranging credit facilities with sufficient limits to meet the foreseen needs.

The Acciona Group's finance department is ultimately responsible for liquidity risk management and designs a suitable framework to control the Group's liquidity requirements in the short, medium and long term. The Company manages its liquidity by maintaining adequate reserves, appropriate banking services, availability of loans and credit, ongoing monitoring of forecasts and current cash flows, and by coupling these with financial asset and liability maturity profiles.

As regards liquidity risk, the accompanying balance sheet at 31 December 2021 shows that the Company's working capital is positive in an amount of Euros 904,462 thousand, largely due to the financing received through the issue of bonds maturing in the long term and non-current bank debt.

At 31 December 2021 the Company has additional undrawn financing totalling Euros 1,950,000 thousand.

*Currency risk*

The Company operates internationally and is therefore exposed to currency risk when operating with foreign currencies, especially with regard to the US Dollar. Currency risk is associated with recognised assets and liabilities, and net investments in foreign operations.

Currency risk arises when recognised assets and liabilities are presented in a currency other than the Group's functional currency.

The Company holds several investments in foreign operations, the net assets of which are exposed to currency risk. Currency risk affecting net assets of the Company's foreign operations in US Dollars is mitigated primarily through borrowings in the corresponding foreign currencies.

Details of financial assets denominated in foreign currencies are provided in note 5. They mainly comprise loans in US Dollars extended to Acciona Eólica Santa Cruz, S. de R.L. de C.V., Parques Eólicos de San Lázaro, S.A. de C.V. and Energía Renovable del Istmo II, S.A. de C.V.

Details of financial liabilities denominated in foreign currencies are provided in note 13. They mainly comprise loans in US Dollars extended by Corporación Acciona Energías Renovables, S.A.U., Acciona Generación Renovable, S.A. and Acciona Energía Global, S.L.

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The Group's finance department is responsible for managing currency risk using non-speculative hedging criteria.

To mitigate currency risk, the Acciona Group arranges foreign currency derivatives to hedge operations and significant future cash flows based on the acceptable risk limits.

## **11. NON-CURRENT PAYABLES**

Details of non-current payables at 31 December 2021, in thousands of Euros, are as follows:

	<b>31/12/2021</b>
Bonds and other marketable securities	496,772
Loans and borrowings	619,867
<b>Total non-current payables</b>	<b>1,116,639</b>

### **a) Bonds and other marketable securities**

Details at 31 December 2021, in thousands of Euros, are as follows:

	<b>31/12/2021</b>
Other non-current marketable securities	498,837
Other marketable securities arrangement fees	(2,065)
<b>Total non-current bonds and other marketable securities</b>	<b>496,772</b>

On 7 October 2021 the Company issued fixed-income securities under the Euro Medium Term Note Programme (EMTN) amounting to Euros 500 million.

The programme is under the name of Acciona Energía Financiación de Filiales, S.A. with Corporación Acciona Energías Renovable, S.A.U. as guarantor. The issuance was in July 2021 for up to Euros 3,000 million, and has been given a credit rating of BBB- by Fitch and BBB (high) by DBRS. In compliance with applicable European legislation, both the initial dossier and subsequent renewals and supplementary information have been approved by the Central Bank of Ireland. Securities issued under this programme may accrue interest at a fixed or floating rate. The issuances may be in Euros or other currencies, whether at par value, below par value or with a premium, and the principal and interest can have different maturity dates.

The annual coupon of the issuance dated 7 October 2021 was set as 0.375%, with a yield of 0.416% (issuance price of 99.758%). The operation is structured within an advanced green financing framework which is fully aligned with the European Union's taxonomy for sustainable activities and the strict requirements of the EU green bond standard. The issuance was placed by BBVA, Bestinver Securities, BNP Paribas, CaixaBank, IMI Intesa Sanpaolo, JP Morgan, Santander, Societ  Generale and Unicredit.

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At 31 December 2021 the balances recognised with a charge to the EMTN programme under bonds and other marketable securities, net of transaction costs, amount to Euros 496,772 thousand.

This bond matures in 2027 and accrues interest as explained in note 12 a).

**b) Loans and borrowings**

Details at 31 December 2021, in thousands of Euros, are as follows:

	<b>31/12/2021</b>
Non-current loans	630,000
Arrangement fees	(10,133)
<b>Total non-current loans and borrowings</b>	<b>619,867</b>

On 26 May 2021 the Company entered into a syndicated financing agreement for a maximum overall amount of Euros 2,500 million divided into three tranches, with Corporación Acciona Energías Renovable S.A. as guarantor and Banco Santander and CaixaBank as agents, the latter being the coordinator and sustainability agent. The purpose of the agreement is to refinance certain financing instruments extended to the Group and to fund its general corporate, investment and cash needs.

Per the stipulations of this agreement, the Group has to periodically comply with certain variables, ratios and financial levels established therein.

It also establishes certain guarantees, mainly in relation to the reassignment under certain circumstances of the rights derived from the electricity production sale agreement and the pledging of the Company's shares.

The aforementioned tranches are: tranches A, B1 and B2 with limits of Euros 1,000 million, Euros 700 million and Euros 300 million, respectively, maturing in May 2024; and tranche C, which is a revolving credit facility with a limit of Euros 500 million, maturing in May 2026.

At 31 December 2021 Euros 300 million had been drawn down from tranche A and Euros 250 million from tranche B1.

In July 2021 the Company assumed the debtor position of a bank loan originally extended to the Group company Corporación Acciona Hidráulica, S.L.U., amounting to Euros 80 million and maturing in July 2024.

All the loans accrue interest at market rates pegged to the Euribor for drawdowns in Euros and the Libor for drawdowns in US Dollars, plus a spread for each tranche.

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Details of the bank financing received at 31 December 2021, in thousands of Euros, are as follows:

	Currency	Limit	Amount drawn down	Final maturity
Syndicated - Tranche A	EUR	1,000,000	300,000	26/05/2024
Syndicated - Tranche B1	EUR	700,000	250,000	26/05/2024
Syndicated - Tranche B	EUR	300,000	-	26/05/2024
Syndicated - Tranche C	EUR	500,000	-	26/05/2026
Bank loan	EUR	80,000	80,000	02/07/2024
<b>Total</b>		<b>2,580,000</b>	<b>630,000</b>	

Debt arrangement costs include the costs incurred in obtaining the financing. These form part of the amortised cost at which this debt is measured and are amortised over the term of the associated loan.

## 12. CURRENT PAYABLES

Details of current payables at 31 December 2021, in thousands of Euros, are as follows:

	31/12/2021
Bonds and other marketable securities	509,126
Loans and borrowings	1,700
Derivatives	163
<b>Total current payables</b>	<b>510,989</b>

### a) Bonds and other marketable securities

Details at 31 December 2021, in thousands of Euros, are as follows:

	31/12/2021
Interest accrued on other marketable securities	442
Current payables on promissory notes	508,684
<b>Total current payables</b>	<b>509,126</b>

As indicated in note 11 a), on 7 October 2021 the Company issued fixed-income securities within the Euro Medium Term Note Programme (EMTN) in an amount of Euros 500 million, with an annual coupon of 0.375% and a yield of 0.416%. Interest accrued on this bond is recognised under this item.

The Company also forms part of the Euro Commercial Paper (ECP) programme established in July 2021 for the issuance of commercial paper. The programme is under the name of Acciona Energía Financiación de Filiales, S.A. with Corporación Acciona Energías Renovable, S.A.U. as guarantor. The issuance was for up to Euros 2,000 million and has an initial one-year term until July 2022. This programme is registered on the Euronext Dublin Stock Exchange. In



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compliance with applicable European legislation, both the initial dossier and subsequent renewals and supplementary information have been approved by the Central Bank of Ireland. The securities issued under this programme in the Euromarket shall have maturities between 3 and 364 days, and may accrue interest at a fixed or floating rate. The issuances may be in Euros or other currencies, whether at par value, below par value or with a premium.

At 31 December 2021 the total balance recognised for issuances under this programme is Euros 509,126 thousand, net of transaction costs and considering accrued interest payable. The entire amount has been recorded as current in the Company's balance sheet.

In 2021 promissory notes were issued in an amount of Euros 661,900 thousand and redeemed in an amount of Euros 153,639 thousand. The outstanding balance at 31 December 2021 is Euros 508,684 thousand.

**b) Loans and borrowings**

Details at 31 December 2021, in thousands of Euros, are as follows:

	31/12/2021
Current interest on loans	1,285
Commitment fees payable	415
<b>Total current loans and borrowings</b>	<b>1,700</b>

As indicated in note 11 b), the Company has various bank loans in Euros which accrue interest at a market rate pegged to the Euribor, plus a spread. Accrued interest payable is recognised in this item as current interest payable on loans.

Moreover, the syndicated loan extended to the Company stipulates a commitment fee on the undrawn amounts of Tranches B and C. At 31 December 2021 the accrued fee payable at year end is recognised under commitment fees payable.

The issuances of fixed-income securities within the Euro Medium Term Note Programme (EMTN) in an amount of Euros 500 million and the Euro Commercial Papers (ECP) have tempered the need for bank financing, which has led to the Company incurring expenses for not drawing down such loans. The accrued amount payable is recognised in this item.

The Company has various credit facilities, in Euros and multi-currency, with a total limit of Euros 266 million at 31 December 2021 (see note 8). As a result of obtaining financing through the issue of bonds and promissory notes, these facilities show a balance receivable and have been reclassified to assets.

**c) Derivatives**

To mitigate currency risk, the Company has arranged foreign currency derivatives to hedge operations and significant future cash flows based on the acceptable risk limits.

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This financial derivative is out of the money and gave rise to a liability of Euros 163 thousand. The Company has not applied hedge accounting for this derivative.

**13. NON-CURRENT AND CURRENT PAYABLES TO GROUP COMPANIES AND ASSOCIATES**

The classification of payables to Group companies and associates, by category, at 31 December 2021 is as follows (in thousands of Euros):

	2021
	At amortised cost
Non-current payables	-
Current payables	48,477

Details of the main payables to Group companies and associates at 31 December 2021, in thousands of Euros, are as follows:

	Balance at 31/12/2021	
	Non-current	Current
Acciona Generación Renovable, S.A.	-	19,960
Corporación Acciona Energía Renovable, S.A.U.	-	2,021
Acciona Energía Global, S.A.	-	26,496
<b>Total payables to Group companies and associates</b>	<b>-</b>	<b>48,477</b>

Current loans to Group companies and associates comprise a joint credit facility in US Dollars, Canadian Dollars and Euros, arranged on 20 December 2021 between Acciona Generación Renovable, S.A., Corporación Acciona Energía Renovable, S.A.U. and Acciona Energía Global, S.L., which has a limit of Euros 50,000 thousand, accrues interest at a fixed rate of 1% , matures on 31 January 2022 and is renewable for annual periods on a yearly basis.

The current balance also includes the accrued interest payable on these loans.

Details of the balance in thousands of US Dollars and the equivalent amount in Euros at 31 December 2021 are as follows:

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	Balance at 31/12/2021	
	US Dollars	Euros
Acciona Generación Renovable, S.A.	22,607	19,960
Principal	22,600	19,954
Interest	7	6
Corporación Acciona Energía Renovable, S.A.U.	2,289	2,021
Principal	2,288	2,020
Interest	1	1
Acciona Energía Global, S.A.	30,009	26,496
Principal	30,000	26,488
Interest	9	8
<b>Total payables to Group companies and associates</b>	<b>54,905</b>	<b>48,477</b>

#### 14. TRADE AND OTHER PAYABLES

Details of trade and other payables at 31 December 2021, in thousands of Euros, are as follows:

	Balance at 31/12/2021
Other payables	72
Public entities (note 15 a))	38
<b>Total</b>	<b>110</b>

##### a) Other payables

This item includes trade balances payable at the 2021 year end.

##### *Average supplier payment period in commercial transactions*

Details of the information required by final provision two of Law 31/2014 of 3 December 2014, prepared in accordance with the Spanish Accounting and Auditing Institute (ICAC) resolution of 29 January 2016, are provided below. This legislation only applies to information on the domestic market:

Average payment period and payments made and outstanding at the reporting date	2021
	<b>Days</b>
Average supplier payment period	67.52
Transactions paid ratio	68.14
Transactions payable ratio	59.19
	<b>Amount in thousands of Euros</b>
Total payments made	415
Total payments outstanding	31

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Average supplier payment period is understood as the term from the date on which the goods are delivered or the services are provided by the supplier until payment.

This average supplier payment period is calculated as the sum of the transactions paid ratio multiplied by the total amount of payments made, and the transactions payable ratio multiplied by the total amount payable, divided by the total amount of payments made and amounts payable.

The transactions paid ratio is calculated as the sum of the products of the amounts paid and the number of payment days (calendar days between the date on which the obligation was recognised and actual payment), divided by the total amount of payments made.

Similarly, the transactions payable ratio is calculated as the sum of the products of the amounts payable and the number of days for which they have been payable (calendar days between the date on which the obligation was recognised and the reporting date), divided by the total amount payable.

The Company is endeavouring to reduce the payment period.

## **15. TAXATION**

### **a) Balances with public entities**

Details of balances with public entities at 31 December 2021, in thousands of Euros, are as follows:

	<b>Balance at 31/12/2021</b>
Taxation authorities, withholdings	27
VAT	11
<b>Payables</b>	<b>38</b>

### **b) Deferred tax assets and liabilities**

The origin of deferred taxes recognised in 2021, in thousands of Euros, is as follows:

<b>Deferred tax liabilities originating from:</b>	<b>Balance at 31/12/2021</b>
Financial derivatives (note 7)	1,412
<b>Total deferred tax liabilities</b>	<b>1,412</b>

### **c) Reconciliation of accounting profit and taxable income**

A reconciliation of the accounting profit and taxable income recognised in 2021 is as follows (in thousands of Euros):

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	<b>2021</b>
Accounting profit before income tax	682
<b>Adjustments to taxable income</b>	
Permanent differences	(2)
Temporary differences	-
<b>Taxable income</b>	<b>680</b>
<b>Gross tax payable</b>	<b>(170)</b>
<b>Deductions for double taxation</b>	<b>678</b>
<b>Net income tax</b>	<b>508</b>
Tax paid abroad	(678)
<b>Income tax income</b>	<b>(170)</b>

Permanent differences comprise the reversal of the reduction in current expenses for the deductibility of incorporation costs, charged to equity.

**16. GUARANTEES VIS-À-VIS THIRD PARTIES AND OTHER CONTINGENT LIABILITIES**

The Company has not recorded any such items.

**17. INCOME AND EXPENSES**

**a) Revenue**

The Company's activities mainly comprise the pooling of financing within the Group and holding company activities. As such, it does not carry out its own business activity and, therefore, has no activity segments. The amount recognised in this income statement item primarily comprises finance income on the financing extended to Group companies (see note 6). Details, in thousands of Euros, are as follows:

	<b>2021</b>
Finance income, Group	9,479
<b>Total finance income (note 6)</b>	<b>9,479</b>
<b>Total revenue</b>	<b>9,479</b>

In 2021 revenues comprise the amount of interest accrued during the year on loans to Group companies.

**b) Personnel expenses**

The Company has no employees at 31 December 2021.

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**c) External services**

Details of external services in 2021 are as follows (in thousands of Euros):

	<b>2021</b>
Independent professional services	440
Banking and other services	68
<b>External services</b>	<b>508</b>

**d) Finance costs**

Details in 2021 are as follows (in thousands of Euros):

	<b>2021</b>
Group companies and associates	19
Other	10,059
<b>Finance costs</b>	<b>10,078</b>

Finance costs with Group companies and associates comprise the interest accrued on the Company's different loans (see note 11).

Details of finance costs with Group companies in 2021 are as follows (in thousands of Euros):

	<b>2021</b>
Acciona Generación Renovable, S.A.	6
Corporación Acciona Energía Renovable, S.A.U.	5
Acciona Energía Global, S.A.	8
<b>Total finance costs with Group companies and associates</b>	<b>19</b>

Finance costs with third parties comprise the interest accrued on financing received through the issue of promissory notes and bonds, bank loans and credit accounts, as well as other borrowing costs thereon.

**e) Exchange differences**

Exchange differences arise from fluctuations in exchange rates, mainly in the US Dollar as a result of the Company's loans and credit facilities with Group companies and, to a lesser extent, the Company's cash held in foreign currency.

A smaller amount of exchanges differences also derive from the valuation and settlement of foreign currency hedges, and the valuation of bank accounts in foreign currency.

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Details of exchange differences in 2021 are as follows (in thousands of Euros):

<b>Exchange gains/(losses):</b>	<b>2021</b>
Foreign currency derivatives	(125)
Valuation of bank balances in foreign currency	(52)
Acciona Eólica Santa Cruz, S. de R.L. de C.V.	552
Parques Eólicos de San Lázaro, S.A. de C.V.	481
Energía Renovable del Istmo II, S.A. de C.V.	801
Acciona Generación Renovable, S.A.	55
Corporación Acciona Energía Renovable, S.A.U.	5
Acciona Energía Global, S.A.	72
<b>Net exchange gains:</b>	<b>1,789</b>

## **18. RELATED PARTY TRANSACTIONS AND BALANCES**

Details of the balances with the sole shareholder, Group companies and associates are provided in notes 5, 6, 12 and 13.

### **a) Transactions and balances with the sole shareholder**

Details of the Company's transactions and balances with its sole shareholder during the year are as follows (in thousands of Euros):

	<b>2021</b>
	<b>Financing transactions</b>
Receivables (note 6)	1,147,124
Payables (note 13)	2,021
Expenses (note 17)	5
Income	8,101

### **b) Transactions and balances with Group companies and associates**

Details of the most significant transactions and balances with Group companies, excluding those with the sole shareholder, during the year and at year end 2021, in thousands of Euros, are as follows:

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	2021	
	Commercial operations	Financing transactions
Receivables (note 5, 6)	508	525,977
Payables (note 13)	-	46,456
Revenues (note 5, 6)	-	1,379
Expenses (note 13)	-	14

Revenue from financing transactions comprises the interest accrued on loans extended by the Company to Group companies (see note 5 b)). In this respect, receivables on financing transactions comprise the loan principals plus accrued interest payable.

Financing transaction expenses mainly include interest accrued on short-term deposits in US Dollars extended by the Group companies Acciona Energía Global, S.L. and Acciona Generación Renovable, S.A. (see note 13). In this respect, payables on financing transactions comprise the loan principals plus accrued interest payable.

Receivables on commercial operations comprise the balance with Acciona, S.A., which reflects the amount receivable by the Company as a result of filing consolidated income tax (see note 6 b)).

**19. ENVIRONMENTAL INFORMATION**

Company management is aware of existing environmental legislation, but no environmental investments have been necessary in 2021 on account of the Company's activity.

In 2021 the Company complied with all applicable state, regional and local environmental legislation.

**20. OTHER INFORMATION****a) Remuneration of the directors and senior management**

In 2021 the directors of the Company did not receive any remuneration in respect of their duties as such.

The members of the board of directors of the Company have not received any loans or advances, nor does the Company have any pension or life insurance obligations with former or current board members. Moreover, the Company has not paid any third party liability insurance premiums for damage or loss caused by actions or omissions in the performance of their duties.



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The Company has no senior management personnel. Such duties are performed by corporate management of the Acciona Energia Group to which the Company belongs (see note 1).

b) Transactions other than ordinary business or under terms differing from market conditions carried out by the directors of the Company and members of the supervisory board

In 2021 the directors of the Company and members of the supervisory board did not carry out any transactions other than ordinary business or applying terms that differ from market conditions with the Company or any other Group company.

c) Conflicts of interest concerning the directors

In accordance with article 229 of Royal Legislative Decree 1/2010 of 2 July 2010, which approves the Revised Spanish Companies Act, at a general meeting the shareholders unanimously resolved to adopt the agreement to recognise the compatibility of performing the duties of director in Acciona Energía Internacional and in certain companies that operate in the renewable energy sector, subject to compliance with certain requirements. None of the directors have indicated that they belong to the governing bodies of companies whose compatibility has not been recognised by the shareholders under the terms laid out.

d) Audit fees

The fees for the audit of the individual annual accounts by the Company's auditor (KPMG Auditores, S.L.) totalled Euros 20 thousand in 2021, irrespective of the date of invoice.

## **21. EVENTS AFTER THE REPORTING PERIOD**

In January 2022 the Company issued a new 10-year bond with a nominal value of Euros 500 million and a yield of 1.386% (issuance price of 99.889%). It therefore repaid the Euros 550 million of loans and borrowings in the form of a syndicated loan.

On 10 February 2022 the Company repaid the bank debt with CaixaBank, comprising Euros 80 million in principal and interest.

Except for the foregoing, no events have taken place after the reporting period that could significantly affect the annual accounts at 31 December 2021 or the Company's ongoing or future activities.

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### **Directors' Report of Acciona Energía Financiación Filiales, S.A.U.**

In accordance with article 49.6 of the Spanish Code of Commerce, the Company hereby indicates that the non-financial information statement required by current legislation is included in the consolidated directors' report of its Parent, Acciona, S.A., which, together with the consolidated annual accounts, will be filed at the Madrid Mercantile Registry on Sheet M-216384 of Page 1 under Volume 13,351.

#### **Individual performance 2021**

Key indicators:

- Revenues totalled Euros 9,479 thousand.
- EBITDA or gross operating profit is defined as results from operating activities before charges and the change in provisions, i.e. it shows the Company's operating profit. It is calculated taking revenues and other operating expenses in the income statement, resulting in Euros 8,971 thousand.
- Profit before tax amounted to Euros 682 thousand, primarily driven by finance income (revenues) offset by finance costs.
- The net finance cost was Euros 8,289 thousand, mainly in relation to the bank financing obtained to fund the activity.

#### **1. Main risks associated with the activities of Acciona Energía Internacional**

Acciona Energía Financiación Filiales, S.A.U. uses the risk management system adopted by the Acciona Group. This risk management system has been designed to identify any potential events that could affect the organisation; manage the related risks through internal control and treatment systems to ensure that the probability and impact of these events are within the established tolerance levels; and provide reasonable security as to the achievement of the strategic business objectives.

The global economy is going through a deep recession as a result of the persistent impact of the COVID-19 pandemic. Although recent vaccine approvals and the launch of vaccination campaigns raised hopes of a turnaround in the pandemic later in the year, renewed waves and new variants of the virus pose concerns for the outlook.

Policy actions should ensure effective support until the recovery is firmly underway, with an emphasis on advancing key imperatives of raising potential output, ensuring participatory growth that benefits all, and accelerating the transition to lower carbon dependence. A green investment push coupled with initially moderate but steadily rising carbon prices would yield needed emissions reductions while supporting the recovery from the pandemic recession.

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Strong multilateral cooperation is required to bring the pandemic under control everywhere. Such efforts include bolstering funding for the COVAX facility to accelerate access to vaccines for all countries, ensuring universal distribution of vaccines and facilitating access to treatments at affordable prices for all. Many countries, particularly low-income developing economies, entered the crisis with high debt that is set to rise further during the pandemic. The global community will need to continue working closely to ensure adequate access to international liquidity for these countries. Where sovereign debt is unsustainable, eligible countries will have to work with creditors to restructure their debt under the Common Framework agreed by the G20.

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

The main risks that could hinder the Group in meeting its objectives are as follows:

Economic and financial risks that, should they materialise, would have a direct impact on the Company's income statement, essentially deriving from fluctuations in exchange rates, interest rates and the financial markets, variations in commodity prices, liquidity, cash flows, late payments or the loss of customers.

Acciona Energía Financiación Filiales, S.A.U. is present in various countries and is therefore exposed to currency risk in the countries in which it invests and operates.

Interest rate risk is especially significant with regard to financing for the construction of wind farms and other renewable energy generation facilities with a long maturity period, where interest rate fluctuations could have a major impact on the profitability of these projects.

Credit risk is mitigated by entering into transactions with solvent third parties, using criteria that are generally accepted on the markets (credit ratings, historical trade relations with the counterparty, etc.). Furthermore, depending on the type of operation or counterparty, the Company negotiates sufficient guarantees to reduce the risk of financial losses in the event of default.

These risks are appropriately managed through natural hedges between income and expenses and assets and liabilities. Where this is not possible, hedges and derivatives are arranged in order to minimise high volatility in results. Nevertheless, these instruments are not guaranteed to be fully effective in eliminating exposure to fluctuations in interest and foreign currency exchange rates, which could subsequently have a negative impact on the Company's financial position and results.

A scheme to hedge material risk is also in place in the form of complementary insurance policies to ensure that the Company's financial solvency is not jeopardised by the general risks to which it is exposed.

Strategic risks that would result in the Company's objectives not being met and would hinder growth. These risks encompass organisational changes, investments and divestments, competitive threats, economic, political and regulatory changes, the impact of new technologies, research and development.

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Acciona Energía Financiación Filiales, S.A.U. minimises this type of risk through its own strategy and business model by diversifying its business in terms of sector and geographical area; by performing exhaustive studies of the market, its competitors and the countries in which it conducts its activities; and through its emphasis on research and development.

Prior to making decisions on business investments and divestments, preventive controls are in place and the associated risks are assessed based on the economic projections of the business; this information must be approved by the Investment Committee and meet certain business volume and profitability parameters commensurate with the associated risk.

Operating risks associated with processes, individuals and products. These risks relate to compliance with regulations, legislation and contractual conditions; control systems and procedures; the supply chain; ancillary services; information systems; employee productivity; and the loss of key personnel.

Specific systems have been devised for each business area that encompass the requirements regarding the business, process systemisation and documentation, quality control, operations, planning and financial control.

Fortuitous risks deriving from damage to the Group's assets and people that could negatively affect the Company's performance, such as fires, explosions, natural disasters, environmental pollution, damage to third parties and occupational hazards.

The Group's Corporate Standard for Crisis Management enables the Company to systematically identify the risks that could lead to an environmental incident and define the processes, guidelines and responsibilities in crisis situations, and other internal corporate and legal requirements. These processes are monitored and reviewed on an ongoing basis.

### **2. Financial instruments**

The Company's risk management policies are established by the Acciona Group's financial risk management and approved by the directors of the Group. Based on these policies, the Company's finance management has a number of procedures and controls in place which enable the identification, measurement and management of risks deriving from transactions involving financial instruments. Under these policies, among other aspects, the Company is not permitted to speculate with derivatives.

In 2021 the Company arranged financial derivatives in the shape of interest rate and foreign currency hedges to mitigate this exposure. No derivative financial instruments are used for speculative ends.

### **3. Own shares**

The Company did not perform any own share transactions in 2021.

### **4. Research and development activities**

The Company did not incur any costs of this nature in 2021.

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### **5. Outlook for the business**

In 2022 financing is expected to be increased compared to 2021, contingent on exchange differences, which will result in greater finance income.

However, the Company's performance in 2022 will depend on the global spread of the COVID-19 pandemic. The effects of this health crisis on the global economy have yet to be quantified and will be somewhat mitigated by the measures adopted by international financial bodies and local governments.

### **6. Average supplier payment period**

The average supplier payment period in 2021 was 67.52 days. The Company is endeavouring to reduce the payment period.

### **7. Events after the reporting period**

On 26 January 2022 the Company issued a new 10-year bond with a nominal value of Euros 500 million and a yield of 1.386% (issuance price of 99.889%).

On 24 January 2022 it repaid the Euros 550 million of loans and borrowings in the form of a syndicated loan.

On 10 February 2022 the Company repaid the bank debt with CaixaBank, comprising Euros 80 million in principal and interest.

Except for the foregoing, no events have taken place after the reporting period that could significantly affect the annual accounts at 31 December 2021 or the Company's ongoing or future activities.