EXECUTIVE SUMMARY

ACCIONA SUSTAINABLE IMPACT FINANCING FRAMEWORK

SUSTAINABLE FINANCE AS A DRIVER FOR IMPACT

Since 2005, ACCIONA has placed sustainability at the heart of the company and its business model. As a result, the ACCIONA Group has positioned itself as one of the major greenfield developers and operators of renewable energy and infrastructure assets of the world, providing solutions to some of the most pressing challenges faced by sustainable development.

On this line, the Group's vocation and commitment is to exclusively develop sustainable infrastructure solutions and maximise the potential regenerative impact of each additional energy and infrastructure project beyond the 'business as usual'.

Thus, the aim of this new Sustainable Impact Financing Framework[1] is to align the financing activity of the Group more closely with this commitment, developing new features within the Group's Green and Sustainability-Linked financing instruments that directly contribute to increase the positive impact of ACCIONA's investments.

This framework covers both green Use of Proceeds (UoP) and Sustainability-Linked financing instruments and introduces a new Local Impact feature that when combined with either type of instrument results in a 'Dual Impact' structure. It also aims at reinforcing the Group's sustainable financing instruments by introducing a clear set of rules and commitments with respect to grey areas in common market practices such as refinancing, look-back periods, grandfathering and early repayment of instruments that lose their underlying green nature.

The Framework applies to ACCIONA (Acciona, S.A.) and its independently listed and financed subsidiary ACCIONA Energía (Corporación Acciona Energías Renovables, S.A.) and thus, replaces their existing financing frameworks.

DIFFERENT OPTIONS, ONE TARGET: INCREASE POSITIVE IMPACT

The Framework builds upon currently available sustainable financing mechanisms and aims at looking beyond current market practices in order to achieve more impactful outcomes. The table below summarizes the four types of instruments that can be issued under this Framework[2]:

Sustainable Finance products		"Traditional" structure	Traditional + Add-on local impact
	Use of Proceeds (UoP)	1 **Type I:** UoP instruments financing specific environmental projects • Channels investments into green projects aligned with the EU taxonomy	1 3 **Type II:** UoP instruments financing specific environmental projects AND supporting local impact initiatives • Channels investments into green projects aligned with the EU taxonomy • Includes an add-on whereby the amount saved from the interest step-down[1] informs the quantum invested in local impact initiatives
	Sustainability-linked	2 **Type III:** Sustainability-linked instruments tied to the achievement of corporate sustainability target • Includes a corporate KPI that drives the structural features of the instrument (interest step up/down)	2 3 **Type IV:** Sustainability-linked instruments tied to sustainable performance targets (SPTs) AND supporting local impact initiatives • Includes a corporate KPI that drives the structural features of the instrument (interest step up/down) • Includes an add-on whereby the amount saved from the interest step-down informs the quantum invested in local impact initiatives

Expected forces driving ESG investor appetite:

1. Solid green fundamentals – Taxonomy-aligned projects
2. Pure sustainable solutions business orientation – strategic importance of corporate KPIs
3. Measurable and material local impact

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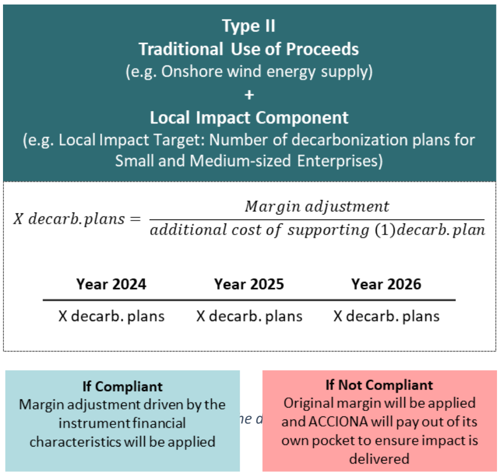
[1] https://mediacdn.acciona.com/media/ncabfnqj/sifframeworkfinal_june2023-2.pdf

[2] A new instrument combining some of these features can be structured

SUSTAINABILITY IS LOCAL

The ACCIONA Group acknowledges the positive impact of green energy and essential infrastructures on social and economic progress, as well as on the preservation of the environment. At the same time, the Group is also aware of the ability of energy and infrastructure companies to significantly transform local communities while developing its projects and that this potential remains largely untapped.

Developing initiatives specifically focused on local labor force, local suppliers, local biodiversity and local communities, would exploit this opportunity, amplifying the positive impact of the clean or sustainable infrastructure project or its surroundings.



Taking this into account, the new Sustainable Impact Financing Framework introduces the new Local Impact component which, leveraging on the concept of 'Additionality', puts forward the development of initiatives that generate positive environmental and/or social outcomes at the local level. In fact, each of the local impact indicators and targets introduced are designed to respond to some of the most urgent social needs and contribute to the achievement of the 2030 Agenda.

These dual impact structures with their corresponding annual and total targets are documented in the contracts for each instrument and are accounted for annually in the company's Sustainable Finance Report, which is externally verified and published on both companies' websites.

ADDITIONAL INNOVATIONS WITHIN THIS FRAMEWORK

This Framework introduces a clearer and more stringent set of rules which reinforce the credibility of ACCIONA´s Sustainable Finance activity, against the backdrop of lack of clarity and questionable precedents in the sustainable finance market as it continues to evolve and mature.

ADDITIONAL INNOVATIONS		
Refinancing	>	UoP: Fulfilment of the eligibility criteria (in line with the ICMA), still make meaningful impact and the UoP financing life does not exceed 12 years. Sustainability-linked and local impact instruments: calibration of the SPTs defined to maintain the committed impact by extending the contribution time in alignment with the maturity of the instrument.
EU Taxonomy retroactivity (No-grandfathering)	>	ACCIONA commits to preserve the green financing nature of a given green Use of Proceeds instrument by maintaining the green assets or by substituting any asset no longer considered "Taxonomy-aligned" as soon as practically feasible[3]. If it´s not feasible to substitute the assets, investors will have the right to request a buyback[4]. For DCM instruments, the buyback will be exercised at par value.
Green commercial paper & Revolving credit facilities	>	To maintain green financing integrity, an amount of green assets equivalent to the maximum amount of outstanding of Green CPs + RCF issued during the fiscal year will be set aside, supporting such financings. Restrictions to refinancing (i.e., 12-year green eligible asset life) will also apply.
Green Guarantees	>	Green guarantees may be issued upon the condition that Turnover or Capital Expenditure of the underlying projects or assets are Taxonomy aligned.

[3] Alignment with the EU Taxonomy Technical Screening Criteria will be reviewed periodically and implemented according to the latest available guidance from the EU. In the event of a change of definition at NACE level affecting a major portion of funds already allocated, the TSC and DNSH criteria in force at the time of issuance of the instrument will continue to be used.

[3] Each contract will specify the period of time for the buyback but with a maximum of 18 months by default.