



# Auditor's Report on Corporación Acciona Energías Renovables, S.A.

(Together with the annual accounts and directors' report of Corporación Acciona Energías Renovables, S.A. for the year ended 31 December 2023)

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



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

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

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

To the Shareholders of Corporación Acciona Energías Renovables, S.A.:

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

#### **Opinion**

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We have audited the annual accounts of Corporación Acciona Energías Renovables, S.A. (the "Company"), which comprise the balance sheet at 31 December 2023, 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 2023 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 of 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.



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## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the 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.

### Recoverable amount of investments in Group companies and associates See notes 2.f), 4 a) and 5 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>At 31 December 2023 the Company has investments in and loans to Group companies and associates amounting to Euros 2,299 million, and Euros 3,603 million, respectively.</p> <p>The recoverable amount of these investments in Group companies and associates and the loans extended thereto is determined, for those companies in which there is objective evidence of impairment, by applying valuation techniques which often require the exercising of judgement by the Directors and the use of assumptions and estimates. Unless there is better evidence of the recoverable amount, the Company uses the investee's equity adjusted for any unrealised gains existing at the measurement date. In 2023 the Company reversed provisions for impairment of these assets in an amount of Euros 15 million.</p> <p>Due to the judgement related to the identification of impairment indicators and the significance of the net book value of the investments in Group companies and associates, this has been considered a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>- We assessed the design and implementation of the key controls related to the process of valuation and assessment of the existence of impairment indicators identified by the Company.</li><li>- Assessment of the existence of impairment indicators and of the reasonableness of the methodology used by the Company to estimate the recoverable amount of investments in Group companies and associates.</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 2023 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.

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

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



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

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

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

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The 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.

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

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

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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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the 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 Corporación Acciona Energías Renovables, S.A.'s Audit and Sustainability Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated to the Audit and Sustainability Committee of the entity, 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.



## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **European Single Electronic Format** \_\_\_\_\_

We have examined the digital file of Corporación Acciona Energías Renovables, S.A. for 2023 in European Single Electronic Format (ESEF), comprising an XHTML file with the annual accounts for the aforementioned year, which will form part of the annual financial report.

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

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

In our opinion, the digital file examined fully corresponds to the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.

### **Additional Report to the Audit and Sustainability Committee** \_\_\_\_\_

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



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## **Contract Period**

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We were appointed as auditor by the shareholders at the ordinary general meeting on 1 June 2023 for a period of one year, beginning the year ended 31 December 2022.

Previously, we had been appointed by the Sole Shareholder for a period of one year, and have been auditing the annual accounts since the year ended 31 December 2017.

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

*(Signed on original in Spanish)*

This report  
corresponds to  
stamp number  
01/24/00388  
issued by the  
Spanish Institute  
of Registered  
Auditors (ICJCE)

Eduardo González Fernández  
On the Spanish Official Register of Auditors ("ROAC") with No. 20,435

29 February 2024



# CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A.

**2023 Financial Annual Accounts and Director's Report**

## BALANCE SHEET FOR THE 2023 AND 2022 FINANCIAL YEARS (Millions of euros)

<i>ASSETS</i>	NOTE	2023	2022
Non-current investments in Group companies and associates	5 & 15	4,037	4,649
Equity instruments		2,299	2,265
Loans to companies		1,738	2,384
<b>NON-CURRENT ASSETS</b>		<b>4,037</b>	<b>4,649</b>
Trade and other receivables	6	57	87
Clients, group companies and associates	15	57	86
Other tax credits	11	--	1
Current investments in Group companies and associates	5 & 15	1,896	1,226
Loans to companies		1,865	1,218
Other financial assets		31	8
Current accruals		1	1
Cash and other liquid assets		--	4
Cash		--	4
<b>CURRENT ASSETS</b>		<b>1,954</b>	<b>1,318</b>
<b>TOTAL ASSETS</b>		<b>5,991</b>	<b>5,967</b>
<i>EQUITY &amp; LIABILITIES</i>	NOTE	2023	2022
<b>SHAREHOLDERS' EQUITY</b>		<b>4,898</b>	<b>4,985</b>
Capital		329	329
Share premium		2,600	2,600
Reservations		66	66
Legal and statutory		66	66
Treasury shares and stock		(69)	(4)
Prior year losses		(96)	(421)
Other shareholder contributions		1,859	1,859
Profit for the year		209	556
<b>EQUITY</b>	<b>7</b>	<b>4,898</b>	<b>4,985</b>
Payable to Group companies and associates	9 & 15	1,043	942
Payables to Group companies		1,043	942
Trade and other accounts payable	10	50	40
Payable to suppliers: Group companies and associates	15	34	25
Sundry creditors		1	2
Personnel		15	13
Other taxed payable	11	--	--
<b>CURRENT LIABILITIES</b>		<b>1,093</b>	<b>982</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>5,991</b>	<b>5,967</b>

Notes 1 through 19 of the enclosed report and the annexes are an inseparable part of the 2023 annual accounts.

## INCOME STATEMENT FOR THE 2023 AND 2022 FINANCIAL YEARS (Millions of euros)

	NOTE	2023	2022
<b>Turnover</b>	<b>12.a) &amp; 15</b>	<b>414</b>	<b>390</b>
Interest income		211	119
Services rendered		115	97
Dividend income		88	174
<b>Personnel</b>	<b>12.b)</b>	<b>(11)</b>	<b>(17)</b>
Wages, salaries and similar		(11)	(17)
Employee benefits		--	--
<b>Other operating expenses</b>		<b>(111)</b>	<b>(86)</b>
External services	12.c	(111)	(87)
Taxes		--	1
<b>Impairment and profit/loss on disposal of financial instruments</b>	<b>5</b>	<b>15</b>	<b>245</b>
Impairment and losses		15	245
<b>OPERATING PROFIT (LOSS)</b>		<b>307</b>	<b>532</b>
<b>Finance costs</b>		<b>(41)</b>	<b>(20)</b>
Payable to Group companies and associates	15	(41)	(20)
<b>Gains (losses) on exchange</b>	<b>13</b>	<b>(24)</b>	<b>83</b>
<b>FINANCIAL INCOME</b>		<b>(65)</b>	<b>63</b>
<b>BEFORE-TAX PROFIT (LOSS) FROM CONTINUOUS OPERATIONS</b>		<b>242</b>	<b>595</b>
Corporate income tax expense	11 & 15	(33)	(39)
<b>PROFIT FOR YEAR FROM CONTINUING OPERATIONS</b>		<b>209</b>	<b>556</b>
<b>PROFIT(LOSS) FOR THE YEAR</b>		<b>209</b>	<b>556</b>

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**STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR FINANCIAL YEARS 2023 AND 2022**  
(Millions of euros)

<i>(Millions of euros)</i>	Note	2023	2022
Results for the year (I)		209	556
Income and expense recognised directly in equity (II)		--	--
Transfers to the income statement (III)		--	--
<b>TOTAL RECOGNISED INCOME (EXPENSE) (I+II+III)</b>		<b>209</b>	<b>556</b>

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## STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL YEARS 2023 AND 2022 (Millions of euros)

	Share capital	Issue premium	Legal reserves	Other reserves	Treasury stock	Tax loss carryforwards	Other shareholder contributions	Results for the year	Interim dividend	Total
Balance at 01.01.2022	329	2,600	46	--	(2)	(540)	1,859	230	--	4,523
Total recognised income and expenses	--	--	--	--	--	--	--	556	--	<b>556</b>
Transactions with the sole shareholder	--	--	--	--	(2)	--	--	--	--	<b>(2)</b>
- Distribution of profit (loss)	--	--	19	--	--	119	--	(230)	--	<b>(92)</b>
Balance at 31.12.2022	329	2,600	66	--	(4)	(421)	1,859	556	--	4,985
Total recognised income and expenses	--	--	--	--	--	--	--	209	--	<b>209</b>
Transactions with shareholders or owners	--	--	--	--	--	--	--	--	--	--
- Distribution of profit (loss)	--	--	--	--	--	325	--	(556)	--	<b>(231)</b>
- Transactions with treasury stock (net)	--	--	--	--	(65)	--	--	--	--	<b>(65)</b>
- Other changes	--	--	--	--	--	--	--	--	--	--
Balance at 31.12.2023	329	2,600	66	--	(69)	(96)	1,859	209	--	4,898

Notes 1 through 19 of the enclosed report and the annexes are an inseparable part of the 2023 annual accounts.

## STATEMENT OF CASH FLOWS FOR FINANCIAL YEARS 2023 AND 2022 (Millions of euros)

	NOTE	2023	2022
<b>CASH FLOWS FROM OPERATIONS (1)</b>		<b>213</b>	<b>293</b>
<b>Pre-tax results for the period</b>		<b>242</b>	<b>595</b>
<b>Adjustments to profit (loss):</b>		<b>(249)</b>	<b>(601)</b>
Value adjustment due to impairment	5	(15)	(245)
Financial revenue (in net revenue)		(299)	(293)
Financial expenses		41	20
Gains (losses) on exchange	13	24	(83)
<b>Changes in working capital</b>		<b>16</b>	<b>(83)</b>
Trade and other accounts receivable		29	(34)
Corporate tax		(14)	(52)
Other current assets		--	1
Trade and other accounts payable		1	2
<b>Other cash flows from operations</b>		<b>204</b>	<b>382</b>
Interest paid	9 & 15	(42)	(16)
Collection of dividends	9 & 15	58	211
Interest received	9 & 15	188	187
<b>Net cash flows from investments (II)</b>		<b>(22)</b>	<b>(3)</b>
<b>Payments for investments</b>		<b>(22)</b>	<b>(3)</b>
Amounts collected from investments in group companies		5,759	--
Amounts paid for investments in group companies		(5,781)	--
Other financial assets		--	(3)
<b>Net cash flows from financing (III)</b>		<b>(194)</b>	<b>(319)</b>
<b>Receipts and payments on equity instruments</b>		<b>(64)</b>	<b>--</b>
Acquisition of own equity instruments		(165)	--
Disposal of own equity instruments		101	--
<b>Collections and payments on financial liabilities</b>		<b>(130)</b>	<b>(319)</b>
Debt issues by Group companies		586	810
Repayments and amortisations with group and associates		(485)	(1,038)
Dividend payments		(231)	(91)
<b>Change in cash and cash equivalents (I+II+III)</b>		<b>(4)</b>	<b>(29)</b>
Starting balance of cash and cash equivalents		4	33
Ending balance of cash and cash equivalents		--	4

Notes 1 through 19 of the enclosed report and the annexes are an inseparable part of the 2023 annual accounts.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

## (In millions of euros)

### 1. ABOUT THE COMPANY

Corporación Acciona Energías Renovables, S.A.U., hereinafter the Company, was founded in Madrid on 12 June 2008. On 5 March 21, the Sole Shareholder at that time, Acciona, S.A., agreed to transform the company into a public limited company. the process was finalised on 10 March 2021 and registered in the Commercial Registry. Its registered offices and headquarters are located at Avda. Gran Vía de Hortaleza, 1. The Company is registered under number 6420 in the National Classification System of Economic Activities (CNAE).

The Company is currently the parent of the group of companies named Grupo Corporación Acciona Energías Renovables, S.A. y Sociedades Dependientes (hereinafter, the Group). The Group's core business is the promotion, construction, operation, maintenance and development of renewable energies; fuel imports and exports, sales and co-generation, including engineering, consulting and auditing of sites and projects and drafting plans for submission to the pertinent authorities. The Group's consolidated annual accounts for 2022 were prepared by the Directors at the Board of Directors Meeting held on 27 February 2023 and filed with the Madrid Commercial Registry after being approved at the General Meeting of Shareholders held on 1 June 2023.

According to Chapter III.1 TRLSC, approved by Legislative Royal Decree 1/2010 of 2 July, Corporación Acciona Energías Renovables, S.L.U, the Parent Company of the Group, was registered in the Commercial Registry as a Sole Shareholder Company until it went public on 1 July 2021 and its stock started to trade on Spanish stock exchanges (SIBE- Madrid, Barcelona, Valencia and Bilbao stock exchanges).

The Company is part of the Acciona Group whose parent company is Acciona, S.A., with registered offices at Gran Vía de Hortaleza, 3, 28033, Madrid. The consolidated annual accounts of Grupo Acciona, S.A. for 2022 were prepared by the Directors of Acciona, S.A. at the Board of Directors Meeting held on 27 February 2023 and filed with the Madrid Commercial Registry after being approved at the General Meeting of Shareholders held on 20 June 2023.

At the end of 2023 year , the Sole Shareholder of the Parent Company is Acciona, S.A., a company whose stock trades on Spanish Stock Exchange Interconnection System (SIBE -Madrid, Barcelona, Valencia and Bilbao stock exchanges). The balances, transactions and operations with Acciona, S.A. are described in Note 14 a).

The Company corporate purpose is as follows:

- The operation of all kinds of primary energy resources by promoting, developing, designing, building, managing, operating, maintaining and repairing (i) power plants that generated electricity from renewable energy sources and (ii) green hydrogen power plants.
- Marketing, selling and storing the electricity generated at power plants using renewal energy sources.
- Producing, transporting, storing, marketing and selling green hydrogen and hydrogen subproducts or derivatives.
- Drafting studies and undertaking research related to the electrical and energy business in general and renewable energies in particular, as well as the technologies applied to that business.

- R&D+i activities related to the aforementioned business as well as the development of new auxiliary technology for renewable energy.
- Activities of a preliminary or supplemental nature to those included in the corporate purpose.
- Providing services to investee companies and undertakings, to which end it may provide them with the necessary bonds and guarantees.
- Managing the investments in other enterprises and companies of the business group.

Some or all of the activities included in the corporate purpose may be carried out by the company directly or indirectly through interests in other companies with identical or similar corporate purposes, in Spain or abroad.

The financial year begins on the first of January and ends on the thirty-first of December each year.

The functional currency of the Company is the Euro.

## 2. BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS

### a) Regulatory framework for financial reporting applicable to the Company

These annual accounts were prepared by the Directors according to the regulatory framework for financial reporting applicable to the Company, as established in:

- 1) Commerce Code and other mercantile legislation.
- 2) General Accounting Plan approved by Royal Decree 1/2021 and sector-specific adaptations.
- 3) The mandatory standards approved by the Accounting and Auditing Institute in development of the General Accounting Plan and implementing regulations.
- 4) All other applicable Spanish accounting laws.

### b) True Image

These annual accounts for 2023, expressed in millions of euros, were obtained from the Company's accounting records and are prepared by the Company's governing body in accordance with the applicable regulatory financial reporting framework as specified in note 2.a), and in particular the accounting principles and criteria contained therein, so as to give a true and fair view of the Company's net worth, financial position, operations, changes in equity and cash flows for the corresponding financial year.

The Company's 2022 annual accounts were approved by the shareholders at the General Meeting held on 1 June 2023. The Company's Directors estimate that the 2023 annual accounts, which were drawn up on 29 February 2024, will be approved without changes.

### c) Non-mandatory accounting principles

Only the mandatory accounting principles in force on the date of these annual accounts were applied, taking into account all of the mandatory accounting standards and principles which have a significant effect. There are no statutory accounting principles that have not been applied.

#### d) Comparison of information

For comparative purposes only and for each item in the balance sheet, income statement, statement of change in equity and cash flow statement, the Company has included in addition to the amounts for 2023 those corresponding to the previous year, which were taken from the 2022 annual accounts approved at the General Meeting of Shareholders held on 1 June 2023.

The accounting principles and valuation standards used by the Company to prepare the annual accounts for this year are the same as the ones used for the financial year ended 31 December 2022. For clarification purposes, in 2023 dividend payments are included under cash flows from financing on the Cash Flow Statement.

#### e) Grouping of entries

Certain items on the balance sheet and the income statement, the statement of change in financial position and the cash flow statement are grouped together to make them easier to understand. However, to the extent that it is significant, the information has been included separately in the pertinent notes to the financial statements.

#### f) Accounting estimates and judgments

When preparing the annual accounts, the Company's Board of Directors used certain estimates to assess the value of some assets, liabilities, income, expenses and commitments. These estimates basically refer to:

- The assumptions used to calculate the recoverable value of the investments in Group companies and associates (equity instruments and loans to Group companies) (See notes 4.a) and 5).

Whilst these estimates were made based on the best information available at 31 December 2023, it is possible that they may have to be modified (upward or downward) in future financial years due to events that may take place in the future, as provided for under the law.

#### g) Changes in estimates, accounting criteria and correction of errors

There were no significant changes in the accounting standards used by the Company in 2023 compared to 2022.

No material errors were detected while preparing these 2023 annual accounts which would require the figures included in the 2022 annual accounts to be restated.

### 3. PROPOSED DISTRIBUTION OF PROFIT AND LOSS

The proposed distribution of the Company's 2023 profit and loss that will be presented by the Board of Directors to the General Meeting for its approval is as follows, in euros:

	2023
<b>Available for distribution:</b>	
Profit and loss of Corporación Acciona Energías Renovables, S.A.	208,456,955.98
<b>Distribution:</b>	
To voluntary reserves	50,416,673.26
Dividend	158,040,282.72
<b>Total</b>	<b>208,456,955.98</b>

### 4. RECORDING AND MEASUREMENT STANDARDS

The key measurement and valuation standards used by the Company when drawing up the 2023 and 2022 annual accounts, in accordance with those stipulated in the General Accounting Plan, are as follows:

#### a) Financial instruments

##### Financial assets

The Company classifies its financial assets according to their valuation category, which is determined on the basis of the business model and the characteristics of the contractual cash flows, and only reclassifies financial assets if and when it changes the business model used to manage such assets.

Purchases and sales of investments are recognised on the date of the trade date, i.e. the date on which the Company makes a commitment to buy or sell the asset. Purchases are classified in one of the following categories:

##### *Financial assets at cost*

Included in this category are the investments in the equity of Group companies and associates, as well as investments in equity instruments whose fair value cannot be determined by reference to a quoted price on an active market for an identical instrument or cannot be reliably estimated.

Investments in Group companies and associated are valued at cost, reduced by the accumulated amount of valuation corrections owing to impairment, where applicable. These corrections are calculated as the difference between the carrying value and the recoverable value, this being understood as fair value less the cost of the sale and value in use.

Value-in-use is calculated based on the Company's interest in the current value of estimated cash flows from ordinary activities and final disposal or the estimated cash flows to be received from dividend payments and the final disposal of the investment.

However, in some cases, unless there is better evidence of the recoverable amount of the investment, when estimating the impairment of such assets the equity of the investee is taken into account, adjusted, where appropriate, to comply with generally accepted accounting standards and principles in Spain and corrected by the unrealised capital gains existing on the measurement date. If the investee company is part of a subgroup of companies, the equity from the consolidated financial statements is taken into account, insofar as these are available.

The book value of the investment includes any monetary receivable or payable, the settlement of which is not likely to occur in the foreseeable future, excluding trade items.

In subsequent financial years, reversals of impairment losses are recognised to the extent that there is an increase in the recoverable value, without exceeding what would have been the book value of the investment had the impairment loss not been recognised.

Impairment losses and the reversal of impairment losses are recognised in the income statement.

#### *Financial assets at amortised cost*

These are non-derivative financial assets held for the collection of contractual cash flows when those cash flows represent payments of principal and interest only. They are included in current assets, except for maturities longer than twelve months after the balance sheet date, which are classified as non-current assets.

Trade payables are initially recognised at fair value and subsequently valued at amortised cost using the effective interest rate method. Interest income on these financial assets is included in financial income; gains or losses arising on derecognition are recognised directly in the Company's income statement; and impairment losses are presented as a separate item in the annual income statement.

### **Financial liabilities**

#### *Financial liabilities at amortised cost*

Bank borrowings are initially recognised at fair value, net of the transaction costs incurred. Any difference between the amount received and the repayment value is recognised in the income statement over the amortisation period of the loan using the effective interest rate method, subsequently classifying financial liabilities as measured at amortised cost.

In the event of a contractual modification to a liability at amortised cost that does not result in derecognition, the carrying value of the financial liability is adjusted by the costs or fees incurred. After that, the amortised cost of the financial liability is determined by applying the effective interest rate, which equates the carrying value of the financial liability with the cash flows to be paid according under new conditions.

The difference between the carrying value of a financial liability that is cancelled and the consideration paid is recognised in profit and loss for the period.

Financial liabilities are classified as current unless they mature more than twelve months after the balance sheet date or include tacit renewal clauses to be exercised by the Company.

Trade and other current payables are short-term financial liabilities that are initially measured at fair value, do not accrue interest and are recorded at their face value. Non-current liabilities are those maturing in more than twelve months.

## b) Cash and cash equivalents

Cash and other liquid assets include cash on hand and the cash and deposits at banks. Also included under this heading are other highly liquid, short term investments that can easily be converted to cash and are subject to negligible exchange rate risk. Investments maturing less than three months from the acquisition date are included in this category.

The Company shows the payments and receipts on high turnover financial assets and liabilities in the cash flow statement. A high turnover financial asset or liability is one where the time between acquisition and maturity is six months or less.

## c) Provisions and contingencies

When preparing the annual accounts, the Company's Directors differentiate between:

- a) **Provisions.** Credit balances that cover current obligations derived from past events, the cancellation of which is likely to give rise to an outflow of resources but whose amount and/or time of cancellation is undetermined.
- b) **Contingent liabilities:** a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

The enclosed balance sheet includes all provisions for which it is more likely than not that the Company will have to fulfil an obligation. Contingent liabilities are not recognised on the balance sheet; rather, those which are not considered remote are reported in the notes to the financial statements.

Provisions are recorded at the current value of the best possible estimate of the amount needed to settle or transfer the obligation, based on the information available on the event and its consequences, and recording the adjustments that arise when the provisions are updated are recorded as financial expenses as they accrue.

The compensation to be received from a third party when the obligation is settled, provided there is no doubt about the compensation actually being received, is recorded as an asset except when there is a legal reason why part of the risk has been externalised by virtue of which the Company is not liable. The compensation is taken into account when estimating the amount of the provision that may be needed.

## d) Recognition of income and expenses

The holding of investments in Group companies and associates is considered to be the Company's most relevant ordinary activity and the one from which it obtains recurring income. According to the standard promoted by the Accounting and Auditing Institute in relation to determining the net revenue for holding companies (in response to consultation no. 2 published in the Official Gazette number 79), both dividends and interest paid by Group companies and associates on loans extended to Group companies and associates are recognised as 'net revenue'. 'Impairment and profit/loss on the disposal of financial instruments' are included under Operating Results.

Interest income is recognised using the effective interest rate method. Dividends earned are recognised when the Company acquires the right to receive them, which is usually the moment when the dividend payment is approved by the governing body responsible for them. If the distributed dividends clearly derive from profits generated before the date of acquisition of the investee, the carrying value of the investment is reduced instead of recognising the income in the income statement.

Income is calculated at the fair value of the consideration received or receivable and represents the amounts receivable for goods supplied and services rendered in the normal course of the activity, less discounts, VAT and other sales-related taxes.

Income and expenses are recorded based on the accrual principles, i.e., when the real movement of the goods and services they represent takes place, regardless of when the monetary or financial exchange associated with them occurs.

#### e) Current salaries and wages

The Company recognises the expected cost of short-term remuneration in the form of paid leave as it accrues to the employees over time. If leave time cannot be accrued, the expense is recognised as the leave is taken.

The Company recognises the expected cost of profit-sharing or employee incentive plans when there is a present legal or constructive obligation as a result of past events and the amount of the obligation can be reliably estimated.

#### ***Corporación Acciona Energías Renovables, S.A. Incentive Plan***

The Company records the cost accrued in the year on the income statement under 'Personnel expenses'. The cost estimate is based on the evolution of the variables that give rise to a right to receive the variable remuneration, which is settled once the shares have been delivered to the employee. In those cases where the shares delivered are for shares of the Group's majority shareholder, the cost is recorded against an account payable with Acciona, S.A.

The different share delivery plans approved by Grupo Corporación Acciona Energías Renovables at the date of these financial statements and the characteristics and scope of such plans within the different levels of the personnel structure are detailed below.

#### ***2021 Plan for 'performance shares' and distribution of shares to the executive directors of Corporación Acciona Energías Renovables, S.A., as a long-term incentive related to value creation***

The Company has in place a long-term incentive plan linked to the growth and sustainability objectives established in the Business Plan for the period 2021-2025, which is called '2021 Directors' Plan'. It was approved at the Extraordinary General Shareholders' Meeting of the Grupo Corporación Acciona Energía Renovables at the meeting held on 26 May 2021, within the context of its IPO.

The data obtained from the measurement metrics (financial and sustainability) will be quantified in 2026, with the aggregate data for the five-year period 2021-2025, and will be compared with the targets for each of these metrics in the Business Plan. The ratio between the actual data for each metric and its corresponding target will indicate, as a percentage, the degree to which the target established for each metric has been achieved.

Subject to certain conditions, 80% of the shares will be delivered in 2026 after the Annual General Meeting for that year. The remaining 20% of the shares will be delivered on a deferred basis in 2027 after the Annual General Meeting for that year and after at least one year has elapsed from the date on which the initial 80% of the shares were delivered.

***2021 Plan for 'performance shares' and distribution of shares to management of Corporación Acciona Energías Renovables, S.A., as a long-term incentive related to value creation:***

The Company has in place a long-term incentive plan linked to the growth and sustainability targets in the Business Plan for the period 2021-2025, which is called '2021 Directors' Plan'. It was approved by the Board of Directors at the meeting held on 31 May 2021.

The beneficiaries of the plan are the Directors of Grupo Corporación Acciona Energía Renovable and others who were invited to participate following a report from the Appointments and Remuneration Committee to the Board of Directors.

The length of the plan, the metrics used to measure the degree of achievement of the objectives and calculation of the incentive' are similar to the '2021 Directors' Plan'. The distribution of shares will take place in 2026, after the ordinary General Meeting of that year is held.

**f) Income tax**

The corporate tax income or expense includes both the current and deferred portions of corporate income tax income and expense.

Current tax is the amount of income taxes payable by the Company on taxable profit for the year. Current tax is reduced by tax deductions and other tax credits, excluding withholdings and payments on account, and the application of tax losses carried forward.

Deferred tax expense or income refers to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences identified as the amounts that the Group expects to be payable or recoverable as a result of differences between the carrying values of assets and liabilities and their taxable bases, as well as tax loss carryforwards and tax credits not applied for tax purposes. These amounts are recorded by applying to the temporary difference or tax credit the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognised for all temporary tax differences with the exception of those derived from the initial recognition of goodwill or other assets and liabilities in transactions that do not affect tax results or carrying results and are not business combinations.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities arising from transactions with direct debits or credits to equity are recorded with a balancing entry in equity.

At the year end, the deferred assets are reconsidered and corrections are made accordingly if there are doubts about their future recovery. Also at the end of each year, the deferred tax assets not recorded on the balance sheet are evaluated and recognised to the extent that it is likely that they will be recovered with future tax profits. No deferred tax assets or liabilities were recognised in 2023 or 2022.

The Company has been authorised by the tax authorities to file its corporate income taxes as part of a tax consolidation group whose parent company is Acciona, S.A. The tax group number is 30/96.

#### g) Activities affecting the environment

In general, environmental activities are those activities whose purpose is to prevent, reduce or repair environmental damages.

In this regard, investments in environmental activities are stated at acquisition and carried as a higher cost of the asset in the financial year in which the expense is incurred.

The expenses associated with protecting and improving the environment are charged to the income statement for the year in which they are incurred, regardless of when the monetary or financial flows associated with them occurs.

The provisions for probable or certain liabilities, litigation in progress and pending obligations or indemnities of an environmental nature whose quantity is unknown that are not covered by insurance policies are set up when the liability or obligation which could result in a payment or indemnity arises.

Given the nature of the Company's business, it does not have a significant impact on the environment. Therefore, no details are included in this report on the subject.

#### h) Cash flow statement

In the cash flow statements prepared according to the indirect method, the following expressions are used with the following meanings:

- Cash flows: incoming and outgoing cash and cash equivalents, these being understood as alterations in the value of highly liquid short term investments.
- Operations are the Company's typical business activities along with other activities that cannot be classified as investment or finance activities.
- Investment activities: the acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing: activities that lead to changes in the size and composition of equity and liabilities that are not part of operations.

#### i) Accounting criteria for related party transactions

All of the Company's related party transactions are arm's length. In addition, since the transfer prices are properly supported, the Directors do not believe there is any significant risk in this regard out of which considerable liabilities could arise in the future.

#### j) Current and non-current items

Current assets are those related with the normal operating cycle which, generally speaking, is deemed to be one year, as well as other assets whose maturity, disposal or realisation is expected to occur in the short term from the closing date of the financial year and cash and other equivalent net assets. Assets that do not meet these requirements are classed as non-current.

Similarly, current liabilities are those linked to the normal operating cycle and in general all obligations whose maturity or disposal are expected to occur in the short term. Otherwise, they are classified as non-current.

## k) Foreign currency transactions

Transactions in foreign currency are translated to euros using the exchange rates in force at the transaction dates. Foreign exchange gains and losses resulting from the settlement of these transactions and translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currency are recognised in the income statement.

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

The classification of investments in Group companies and associates by category at 31 December 2023 and 31 December 2022 is as follows (in millions of euros):

	31.12.23		31.12.22	
	Cost	Amortised cost	Cost	Amortised cost
Equity instruments	2,299	--	2,265	--
Loans to companies	--	1,738	--	2,384
<b>Long term investments</b>	<b>2,299</b>	<b>1,738</b>	<b>2,265</b>	<b>2,384</b>
Loans to companies	--	1,865	--	1,218
Other financial assets	--	31	--	8
<b>Short term investments</b>	<b>--</b>	<b>1,896</b>	<b>--</b>	<b>1,226</b>

The balance under this heading and the changes in 2023 are shown below (in millions of euros):

### Non-current investments

<i>Non-current investments</i>	Opening balance at 31.12.22	Additions and funding	Transfers	Removals and reversals	Closing balance at 31.12.23
<b>Cost:</b>					
Equity instruments	2,938	21	(561)	--	2,398
Loans to companies	2,395	3	(1)	(650)	1,747
<b>Total cost</b>	<b>5,333</b>	<b>24</b>	<b>(562)</b>	<b>(650)</b>	<b>4,145</b>
<b>Impairment:</b>	--	--	--	--	--
Equity instruments	(675)	--	561	15	(99)
Loans to companies	(9)	--	--	--	(9)
<b>Total impairment</b>	<b>(684)</b>	<b>--</b>	<b>561</b>	<b>15</b>	<b>(108)</b>
<b>Total non-current investments</b>	<b>4,649</b>	<b>24</b>	<b>(1)</b>	<b>(635)</b>	<b>4,037</b>

## Current investments

<i>Current investments</i>	Opening balance at 31.12.22	Additions and funding	Transfers	Retirements	Closing balance at 31.12.23
<b>Cost:</b>					
Loans to companies	1,218	5,756	--	(5,109)	1,865
Other financial assets	8	127	1	(105)	31
<b>Total cost</b>	<b>1,226</b>	<b>5,883</b>	<b>1</b>	<b>(5,214)</b>	<b>1,896</b>
<b>Impairment:</b>	--	--	--	--	--
Loans to companies	--	--	--	--	--
<b>Total impairment</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total current asset investments</b>	<b>1,226</b>	<b>5,883</b>	<b>1</b>	<b>(5,214)</b>	<b>1,896</b>

The balance under this heading and the changes in 2022 are shown below (in millions of euros):

## Non-current investments

<i>Non-current investments</i>	Opening balance at 31.12.2021	Additions and funding	Transfers	Removals and reversals	Closing balance at 31.12.2022
<b>Cost:</b>					
Equity instruments	2,938	--	--	--	2,938
Loans to companies	3,026	165	80	(876)	2,395
<b>Total cost</b>	<b>5,964</b>	<b>165</b>	<b>80</b>	<b>(876)</b>	<b>5,333</b>
<b>Impairment:</b>	--	--	--	--	--
Equity instruments	(874)	(2)	--	201	(675)
Loans to companies	(55)	--	--	46	(9)
<b>Total impairment</b>	<b>(929)</b>	<b>(2)</b>	<b>--</b>	<b>247</b>	<b>(684)</b>
<b>Total non-current investments</b>	<b>5,035</b>	<b>163</b>	<b>80</b>	<b>(629)</b>	<b>4,649</b>

## Current investments

<i>Current investments</i>	Opening balance at 31.12.21	Additions and funding	Transfers	Removals	Closing balance at 31.12.22
<b>Cost:</b>					
Loans to companies	919	552	(80)	(173)	1,218
Other financial assets	38	131	--	(161)	8
<b>Total cost</b>	<b>957</b>	<b>683</b>	<b>(80)</b>	<b>(334)</b>	<b>1,226</b>
<b>Impairment:</b>	--	--	--	--	--
Loans to companies	--	--	--	--	--
<b>Total impairment</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total current asset investments</b>	<b>957</b>	<b>683</b>	<b>(80)</b>	<b>(334)</b>	<b>1,226</b>

## a) Equity instruments

The details of the cost and impairment of equity instruments at 31 December 2023 and 2022, in millions of euros, are as follows:

	2023		2022	
	Cost	Impairment	Cost	Impairment
Acciona Energía Financiación Filiales, S.A.	274	--	274	--
Acciona Eólica de Galicia, S.A.	17	--	17	--
Acciona Generación Renovables, S.A.	1,146	--	1,146	--
Acciona Saltos de Agua, S.L.	71	(71)	71	(71)
Ceatesalas, S.L.	--	--	984	(561)
Corporación Acciona Eólica, S.L.	344	--	344	(14)
Corporación Acciona Hidráulica, S.L.	65	--	65	--
Ineuropa Proyectos Renovables, S.A.U.	29	(28)	29	(28)
KW Tarifa, S.A.	8	--	8	(1)
Acciona Energía Re	21	--	--	--
Ceólica Hispania, S.L.	423	--	--	--
<b>Total</b>	<b>2,398</b>	<b>(99)</b>	<b>2,938</b>	<b>(675)</b>

The merger by absorption of Ceólica Hispania, S.L. as the absorbing company and Ceatesalas, S.L.U., Energías Renovables de Barazar, S.L.U., Corporación Eólica La Cañada, S.L.U. and Acciona Eólica Cesa, S.L. as the absorbed companies took place on 5 December 2023. All of the absorbed companies are wholly owned, directly or indirectly, by Ceatesalas, S.L.U., which declared itself a sole shareholder as a result of the merger by absorption. The portfolio initially held by Ceatesals, S.L.U. was reclassified to Ceólica Hispania, S.L. in 2023 as a result of the merger. The new value of the holding is the net book value prior to the transaction.

On 27 February 2023, Acciona Energía RE was incorporated for tax purposes in Luxembourg.

One hundred percent of the shares of Acciona Energía Carbón Technologies, S.L. were purchased and sold for €0.2 million on 26 July 2023.

The following companies were incorporated in 2022: Acciona Energía Financiación de Filiales, S.A., Acciona Administración Energía, S.L., Acciona Administración Energía Dos, S.L., Acciona Administración Energía Tres, S.L., Acciona Desarrollo Corporativo Energía, S.L. and Apoderada Corporativa General, S.A. There were no changes in equity instruments in 2022. The most salient information regarding the Group undertakings in which the Company has a direct holding at the end of the 2023 financial year, obtained from the annual accounts, is detailed in Annex I.

b) Loans to companies

This balance sheet item includes loans granted by the Company to its investees, as well as accrued and uncollected interest at year-end. The details of the loans granted to Group companies and associates at 31 December 2023 are as follows, in millions of euros:

	2023				
	Non-current		Current		
	Credit facilities	Impairment	Credit facilities	Interest	Impairment
Acciona Biomasa, S.L.	--	--	3	--	--
Acciona Energía Financiación Filiales, S.A.	--	--	1.333	9	--
Acciona Energía Global S.L.	--	--	--	1	--
Acciona Energía Internacional, S.A.	184	--	37	--	--
Acciona ESCO, S.L.	81	--	9	3	--
Acciona Generación Renovables, S.A.	655	--	203	28	--
Acciona Green Energy Development, S.L.	--	--	--	1	--
Acciona Saltos de Agua, S.L.U.	117	(9)	--	22	--
Acciona Solar, S.A.	--	--	1	--	--
Biomasa Miajadas, S.L.	--	--	5	--	--
Corporación Acciona Eólica, S.L.U.	139	--	--	13	--
Corporación Acciona Hidráulica, S.L.U.	254	--	--	35	--
Desarrollos Energéticos Eólicos Solares	--	--	94	1	--
Desarrollos Renovables Norte, S.L.	--	--	1	--	--
Irrigation Solar Farm, S.L.U.	--	--	2	--	--
KW Tarifa S.A.	18	--	--	--	--
Malgarida I SPA	11	--	--	3	--
Malgarida II SPA	76	--	--	13	--
P.Eólico San Gabriel, SPA	152	--	--	29	--
Saltos y Centrales de Cataluña, S.A.	--	--	4	--	--
Solar Bolarque S.L.	--	--	2	--	--
Tolpan Sur SPA	60	--	--	11	--
Acciona Distributed Generation	--	--	1	--	--
Energías Renovables Operación y Mantenimiento	--	--	1	--	--
<b>Total loans to Group companies and associates</b>	<b>1,747</b>	<b>(9)</b>	<b>1,696</b>	<b>169</b>	<b>--</b>

In 2023, practically all the receivable balances under the heading of 'Short-term receivables from Group companies' of amounting to 1,696 million euros referred to the cash pooling sweep balances of the companies listed below, except for the balance with Acciona Energía Internacional, S.A. in the amount of €37 million.

The details of the loans granted to Group companies and associates at 31 December 2022 are as follows, in millions of euros:

	2022				
	Non-current		Current		
	Credit facilities	Impairment	Credit facilities	Interest	Impairment
Acciona Biomasa, S.L.	--	--	3	--	--
Acciona Energía Financiación Filiales, S.A.	--	--	26	--	--
Acciona Energía Global S.L.	--	--	570	5	--
Acciona Energía Internacional, S.A.	229	--	38	--	--
Acciona Eólica Cesa S.L.	--	--	45	--	--
Acciona ESCO, S.L.	78	--	37	1	--
Acciona Generación Renovables, S.A.	665	--	113	7	--
Acciona Green Energy Development, S.L.	--	--	--	3	--
Acciona Saltos de Agua, S.L.U.	133	(9)	--	20	--
Acciona Solar, S.A.	--	--	2	--	--
Almeyda SPA	40	--	--	4	--
Avenir El Romero SPA	184	--	--	18	--
Ceatesalas, S.L.U.	--	--	94	1	--
Civerzba ITG, S.L.	--	--	1	--	--
Corporación Acciona Eólica, S.L.U.	185	--	--	7	--
Corporación Acciona Hidráulica, S.L.U.	297	--	21	26	--
Desarrollos Energéticos Eólicos Solares	--	--	71	1	--
Desarrollos Renovables Norte, S.L.	--	--	3	--	--
EV Efrato ITG, S.L.	--	--	1	--	--
Gunning W. Energy Development PTY LTD	30	--	2	--	--
Irrigation Solar Farm, S.L.U.	--	--	2	--	--
KW Tarifa S.A.	21	--	--	--	--
Malgarida I SPA	14	--	--	2	--
Malgarida II SPA	104	--	--	10	--
P.Eolico San Gabriel, SPA	192	--	--	20	--
Pyrenees W. Energy Dev. PTY LTD	52	--	10	--	--
Saltos y Centrales de Cataluña, S.A.	--	--	2	--	--
Sierra de Selva, S.L.	--	--	4	--	--
Sistemas Energéticos Valle del Sedano, S.A.	--	--	4	--	--
Solar Bolarque S.L.	--	--	22	--	--
Tolpan Sur SPA	122	--	--	15	--
Usya SPA	49	--	--	7	--
<b>Total loans to Group companies and associates</b>	<b>2,395</b>	<b>(9)</b>	<b>1,071</b>	<b>147</b>	<b>--</b>

There are no material differences between the book value and the fair value.

Most of the loans and credits facilities extended by the Company at 31 December 2023 have one-year maturity dates but are tacitly renewable. They are classified as long-term since the purpose of these loans is the structural financing of the Company's subsidiaries.

The characteristics of the non-current loans granted by the Company at 31 December 2023 are as follows:

Granted on	Drawn down at 31.12.2023	Contractual maturity date:	Company
17/11/2022	--	31/12/2023	Acciona Administración Energía Dos, S.L.
17/11/2022	--	31/12/2023	Acciona Administración Energía, S.L.
17/11/2022	--	31/12/2023	Acciona Desarrollo Corporativo Energía, S.L.
11/03/2016	221	11/03/2026	Acciona Energía Internacional, S.A.
31/03/2022	81	31/12/2022	Acciona Esco
30/03/2011	654	31/12/2025	Acciona Generación Renovables, S.A.
07/04/2011	17	30/04/2029	Acciona Saltos de Agua S.L.U.
01/01/2014	25	31/12/2017 (*)	Acciona Saltos de Agua S.L.U.
19/10/2016	75	30/04/2029	Acciona Saltos de Agua S.L.U.
08/02/2018	--	01/01/2029	Álabe Sociedad de Cogeneración S.A.U.
27/02/2019	--	31/12/2022(**)	Almeyda SPA
01/09/2022	--	31/12/2023	Apoderada Corporativa General
15/04/2016	--	31/12/2022(**)	Avenir El Romero SPA
07/04/2011	22	30/04/2029	Corporación Acciona Eólica, S.L.U.
01/01/2013	82	31/12/2017 (*)	Corporación Acciona Eólica, S.L.U.
31/12/2015	36	31/12/2017 (*)	Corporación Acciona Eólica, S.L.U.
19/10/2016	--	30/04/2029	Corporación Acciona Eólica, S.L.U.
30/11/2011	104	31/12/2017 (*)	Corporación Acciona Hidráulica, S.L.U.
01/01/2014	150	31/12/2017 (*)	Corporación Acciona Hidráulica, S.L.U.
01/09/2022	--	31/12/2023	Gestión de Recursos Corporativos S.L.
11/01/2019	--	10/01/2024	Gunning W. Energy Development PTY LTD
15/02/2018	18	01/01/2029	KW Tarifa S.A.
24/09/2020	--	31/12/2023(**)	Malgarida I SPA
30/09/2020	11	31/12/2025	Malgarida I SPA
24/09/2020	--	31/12/2023(**)	Malgarida II SPA
30/09/2020	76	31/12/2025	Malgarida II SPA
24/10/2018	--	30/09/2035	Mortlake South Wind Farm Pty.
17/08/2019	--	30/09/2034	MT Gellibrand Wind Farm PTY LT
26/02/2019	--	31/12/2022(**)	P.Eólico San Gabriel, SPA
29/09/2020	152	31/12/2025	P.Eólico San Gabriel, SPA
11/01/2019	--	10/01/2024	Pyrenees W. Energy Dev. PTY LTD
27/02/2019	--	31/12/2022(**)	Tolpan Sur SPA
30/09/2020	60	31/12/2025	Tolpan Sur SPA
24/09/2019	--	31/12/2022(**)	Usya SPA

(\*) These contracts specify that the maturity date may be extended for consecutive one-year periods. The Directors have stated that they will not call the loans due at maturity and therefore since they will not mature in the next year, they are classified as long-term.

(\*\*) These contracts specify that the maturity date may be extended for consecutive one-year year, up to a maximum of five years. The Directors have stated that they will not call the loans due at maturity and therefore since they will not mature in the next year, they are classified as long-term.

The characteristics of the non-current loans granted by the Company at 31 December 2022 are as follows, in millions of euros:

Granted on	Drawn down at 31.12.2022	Contractual maturity date:	Company
17/11/2022	--	31/12/2023	Acciona Administración Energía Dos, S.L.
17/11/2022	--	31/12/2023	Acciona Administración Energía, S.L.
17/11/2022	--	31/12/2023	Acciona Desarrollo Corporativo Energía, S.L.
11/03/2016	267	11/03/2026	Acciona Energía Internacional, S.A.
31/03/2022	78	31/12/2022	Acciona Esco
30/03/2011	665	31/12/2025	Acciona Generación Renovables, S.A.
07/04/2011	17	30/04/2029	Acciona Saltos de Agua S.L.U.
01/01/2014	25	31/12/2017 (*)	Acciona Saltos de Agua S.L.U.
19/10/2016	91	30/04/2029	Acciona Saltos de Agua S.L.U.
08/02/2018	--	01/01/2029	Álabe Sociedad de Cogeneración S.A.U.
27/02/2019	40	31/12/2022(**)	Almeyda SPA
01/09/2022	--	31/12/2023	Apoderada Corporativa General
15/04/2016	184	31/12/2022(**)	Avenir El Romero SPA
07/04/2011	67	30/04/2029	Corporación Acciona Eólica, S.L.U.
01/01/2013	82	31/12/2017 (*)	Corporación Acciona Eólica, S.L.U.
31/12/2015	36	31/12/2017 (*)	Corporación Acciona Eólica, S.L.U.
19/10/2016	--	30/04/2029	Corporación Acciona Eólica, S.L.U.
30/11/2011	147	31/12/2017 (*)	Corporación Acciona Hidráulica, S.L.U.
01/01/2014	150	31/12/2017 (*)	Corporación Acciona Hidráulica, S.L.U.
01/09/2022	--	31/12/2023	Gestión de Recursos Corporativos S.L.
11/01/2019	32	10/01/2024	Gunning W. Energy Development PTY LTD
15/02/2018	21	01/01/2029	KW Tarifa S.A.
24/09/2020	3	31/12/2023(**)	Malgarida I SPA
30/09/2020	11	31/12/2025	Malgarida I SPA
24/09/2020	25	31/12/2023(**)	Malgarida II SPA
30/09/2020	79	31/12/2025	Malgarida II SPA
24/10/2018	--	30/09/2035	Mortlake South Wind Farm Pty.
17/08/2019	--	30/09/2034	MT Gellibrand Wind Farm PTY LT

(\*) These contracts specify that the maturity date may be extended for consecutive one-year periods. The Directors have stated that they will not call the loans due at maturity and therefore since they will not mature in the next year, they are classified as long-term.

The average interest rates for the year are 6% in 2023 (3.5% in 2022).

The key changes in 2023 under the heading of 'Non-current loans to Group companies' are as follows, in millions of euros:

- Partial repayment in the amount of €46 million of the long-term loan extended to Corporación Acciona Eólica, S.L. under the contract dated 19 October 2016, with a total limit of €809 million. Partial repayment of the loan extended to Corporación Acciona Eólica, S.L. under a contract dated 24 October 2020 with a total credit limit of €674 million. At 31 December 2023, the outstanding balance was €22 million (€67 million in 2022), having repaid €46 million in principal and €2 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).

- Partial repayment in the amount of €10 million of the long-term loan extended to Acciona Generación Renovables, S.A. under the contract dated 22 September 2020. At 31 December 2023, the outstanding balance is €655 million (€665 million in 2022), Repayment of €10 million in principal and €16 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €43 million of the long-term loan extended to Sociedad Corporación Acciona Hidráulica, S.A. under the contract dated 24 March 2010. At 31 December 2023, the outstanding balance is €104 million (€147 million in 2022), Repayment of €43 million in principal and €7 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €46 million of the long-term loan granted to Acciona Energía Internacional, S.A. under the contract dated 22 March 2021. At 31 December 2023, the outstanding balance is €221 million (€267 million in 2022), Repayment of €46 million in principal and €22 million in accrued interest according to the terms of the contract (Libor USD 6 months +3%).
- Partial repayment in the amount of €3 million of the long-term loan to KW Tarifa, S.L. under the contract dated 15 February 2018. At 31 December 2023, the outstanding balance is €18 million (€21 million in 2022), Repayment of €3 million in principal and €1 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €16 million of the long-term loan to Acciona Saltos de Agua, S.L. under the contract dated 24 March 2010. At 31 December 2023, the outstanding balance is €75 million (€91 million in 2022), Repayment of €16 million in principal and €4 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €2 million of the long-term loan to Gunning Wind Energy Developments Pty. under the assignment agreement dated 22 March 2021. At 31 December 2022, the outstanding balance is €30 million. On 1 October 2023 the loan agreement was assigned in its entirety to Acciona Energía Internacional.
- Partial repayment in the amount of €9 million of the long-term loan to Pyrenees Wind Energy Developments Pty. under the assignment agreement dated 22 March 2021. At 31 December 2022, the outstanding balance is €52 million. On 1 October 2023 the loan agreement was assigned in its entirety to Acciona Energía Internacional.
- On 30 September 2023 the loans of Tolpan Sur SPA, Almeyda SPA, Parque Eólico San Gabriel SPA, Avenir El Romero SPA, Malgarida SPA, Malgarida II SPA and Usya SPA in the amount of €500 million were assigned in their entirety to Acciona Energía Financiación Filiales, S.A.
- On 1 January 2023, the Company granted a line of credit to Acciona Esco, S.L. with a limit of €90 million. This line of credit has a fixed interest rate of 4.62% and matures on 31 December 2028 (although the parties have provided for an additional 5-year extension). This credit line was drawn down in the amount of €81 million at 31 December 2023.

The key changes in 2022 under the heading of 'Non-current loans to Group companies' are as follows, in millions of euros:

- Partial repayment in the amount of €194 million of the long-term loan extended to Corporación Acciona Eólica, S.L. under the contract dated 19 October 2016, with a total limit of €809 million. At 31 December 2023, the loan was paid in full (€55 million in 2022) following the repayment of €55 million in principal and €108 million of accrued interest according to the terms of the contract (Euribor 1 month +2% from 1 October to 31 December). Partial repayment of the loan extended to Corporación Acciona Eólica, S.L. under a contract dated 24 October 2020 with a total credit limit of €674 million. At 31 December 2022, the outstanding balance was €67 million (€207 million in 2021), having repaid €140 million in principal and €2 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- On 8 February 2018, the Company granted a line of credit to Alabe Sociedad de Cogeneración, S.A.U. with a limit of €51,200,000. This interest rate on this line of credit is referenced to the Euribor plus a spread in accordance with market conditions and the final maturity date is 1 January 2024 (although the parties may agree to a 5-year extension). The line of credit was repaid in full in 2023 in the amount of €16 million.
- Partial repayment in the amount of €91 million of the long-term loan extended to Acciona Generación Renovables, S.A. under the contract dated 22 September 2020. At 31 December 2022, the outstanding balance is €665 million (€756 million in 2021). Repayment of €91 million in principal and €17 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €56 million of the long-term loan extended to Sociedad Corporación Acciona Hidráulica, S.A. under the contract dated 24 March 2010. At 31 December 2022, the outstanding balance is €147 million (€203 million in 2021). Repayment of €56 million in principal and €9 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €39 million of the long-term loan granted to Acciona Energía Internacional, S.A. under the contract dated 22 March 2021. At 31 December 2022, the outstanding balance is €229 million (€252 million in 2021). Repayment of €39 million in principal and €14 million in accrued interest according to the terms of the contract (Libor USD 6 months +3%).
- Partial repayment in the amount of €10 million of the long-term loan to KW Tarifa, S.L. under the contract dated 15 February 2018. At 31 December 2022, the outstanding balance is €21 million (€31 million in 2021), Repayment of €10,000 in principal.
- Partial repayment in the amount of €26 million of the long-term loan to Acciona Saltos de Agua, S.L. under the contract dated 24 March 2010. At 31 December 2022, the outstanding balance is €91 million (€117 million in 2021). Repayment of €26 million in principal and €9 million in accrued interest according to the terms of the contract (Euribor 1 month +2%).
- Partial repayment in the amount of €2 million of the long-term loan to Gunning Wind Energy Developments Pty. under the assignment agreement dated 22 March 2021. At 31 December 2022, the outstanding balance is €30 million (€32 million in 2021). Repayment of €2 million in principal and €1 million in accrued interest according to the terms of the contract (BBSW 3 months +2.85%).

## Short-Term Loans

The Company operates as a liquidity manager to satisfy the occasional cash requirements of its subsidiaries. Therefore, most of the short-term loans are reciprocal credit lines (cash pooling) with the member companies of the Group. 'Cash-pooling' balances:

<i>Short-term loans</i>	2023		2022	
	Loans	Interest	Loans	Interest
Acciona Biomasa, S.L.	3	--	3	--
Acciona Distributed Generation	1	--	--	--
Acciona Energía Financiación Filiales	1.333	9	--	--
Acciona Energía Global S.L.	--	1	570	5
Acciona Energía, S.A.U.	203	3	113	--
Acciona Eólica Cesa S.L.	--	--	45	--
Acciona ESCO, S.L.	9	--	37	1
Acciona Green Energy Development, S.L.	--	1	--	3
Acciona Solar, S.A.	1	--	1	--
Biomasa Miajadas, S.L.	5	--	--	--
Ceatesalas, S.L.U.	--	--	94	1
Civerzba ITG, S.L.	--	--	1	--
Corporación Acciona Hidráulica, S.L.U.	--	--	21	--
Desarrollos Energéticos Eólicos Solares	94	1	71	1
Desarrollos Renovables Norte, S.L.	1	--	3	--
Energías Alternativas de Teruel	--	--	1	--
Energías Renovables Operación y Mantenimiento	1	--	--	--
EV Efrato ITG, S.L.	--	--	2	--
Irrigation Solar Farm, S.L.	2	--	--	--
Renovables del Penedés, S.A.	--	--	2	--
Saltos y Centrales de Cataluña, S.A.	4	--	4	--
Sierra de Selva, S.L.	--	--	4	--
Sistemas Energéticos Valle del Sedano, S.A.	--	--	22	--
Solar Bolarque S.L.	2	--	--	--
<b>Total loans to Group companies and associates</b>	<b>1,659</b>	<b>15</b>	<b>994</b>	<b>11</b>

The reciprocal credit line was formalised on 30 July 2014 with an initial limit of €506,600,000 between the Company and some of its subsidiaries, maturing on 30 July 2015, renewable annually. According to the last addendum signed on 19 October 2016, the total joint limit was increased to €2,634,000,000. This line of credit was cancelled on 5 July 2021, on the same date as a new reciprocal credit line was formalised between Acciona Energía Financiación de Filiales S.A.U. and Corporación Acciona Energías Renovables, S.A. with a limit of €2,634,000,000, as part of the centralised cash pooling system.

The additions to the current balance of 'Short-term loans to companies' arise from the interest accrued in 2023 and the increased drawdowns under the reciprocal credit line agreement.

### c) Other financial assets

At 31 December 2023, there are approved dividends from subsidiaries pending disbursement in the amount of €30 million, including €20 million from Corporación Acciona Eólica, S.A. and €10 million from Acciona Eólica de Galicia, S.A.

At 31 December 2022, there are no approved dividends from subsidiaries pending disbursement.

In addition, at 31 December 2022, this heading includes the balance owed by the Company to the Acciona, S.A. as a result of being a member of the consolidated tax group of which Acciona, S.A. is the parent (see Note 4.f) in the amount of €6.6 million.

Also included under this heading by virtue of the Liquidity Agreement is the current account between Bestinver Sociedad de Valores, S.A. as Financial Intermediary and Corporación Acciona Energías Renovables, S.A. as Issuer, whereunder the Financial Intermediary will operate on behalf of the Issuer for the purchase and sale of the latter's own shares for the sole purpose of promoting the liquidity and regularity of the stock, within the limits established in the authorisation granted to the Issuer for this purpose by the shareholders. The agreement is subject to the laws in force and, in particular, to the CNMV Circular, and must be interpreted at all times in accordance therewith.

#### d) Impairment

At 31 December 2023, the Group recognised €99 in impairment of investments in group companies (€684 million at 31 December 2022) arising in prior years due primarily to the effects of the regulatory changes in Spain in 2013, especially those introduced by Legislative Royal Decree 9/2013, which had a material impact on the results of the renewable energy companies in which the Company has holdings. At the end of the 2013 financial year, the facilities of the investee companies of Corporación Acciona Energías Renovables, S.A. re-estimated and revalued their income, impairment tests and other indicators considering the new remuneration model introduced by the Royal Decree, recording the resulting impairments based on the new model. These impairments in turn gave rise to significant provisions in the Company's portfolio and loans.

At the year end, the Company analyses the evolution of the yields on investees' assets, assessing compliance or the appearance of deviations in the main assumptions and estimates underlying the impairment tests, as well as the existence of relevant changes vis-a-vis the regulatory, economic or technological environment in the markets where these assets operate, in order to accurately update the recoverable value of these investments.

In 2023, due to sharp increases in energy prices and volatility, rising interest rates, inflation and a variety of regulatory measures approved or in the process of being approved, the Company has re-assessed the way it tests for impairment of its investees in Spain that own renewable energy facilities.

As a result of this analyses, the Company reversed a net total of €15 million in impairment provisions recognised years before in the companies with operating wind assets, namely, Corporación Acciona Eólica, S.A. (€14 million reversed) and KW Tarifa, S.L. (€1 million reversed). Due to the merger in which Ceatesalas, S.A.U. was absorbed by Ceólica Hispania, S.L. the impairment recognised by Ceatesalas (€561 million) was incorporated into the value of the portfolio. The new value of the holding is the net book value prior to the transaction.

The present value of future cash flows of investees and associates calculated in this way is reduced net financial debt, including bank borrowings and debt with Group companies, and is compared with the net book value of each financial investment, understood as the sum of both the value of the equity instruments and the credits or loans, delivered to or received from each direct investee company.

## 6. TRADE AND OTHER ACCOUNTS RECEIVABLE

The composition of the balance under this heading at 31 December 2023 and 2022, in millions of euros, was as follows:

	2023	2022
Customers, Group companies and associates (Notes 12a) and 14)	57	86
<b>Total trade and other accounts receivable</b>	<b>57</b>	<b>86</b>

The breakdown by company is as follows (in millions of euros):

	2023	2022
Acciona Generación Renovables S.A.	57	86
Other Group companies and associates	--	--
<b>Total Group companies and associates</b>	<b>57</b>	<b>86</b>

This caption includes the Company's balance receivable at 31 December 2023 with Group companies and associates from commercial transactions for services rendered to subsidiaries.

## 7. SHAREHOLDERS' EQUITY

### a) Capital

At 31 December 2023, the Company's capital is divided into 329,250,589 fully subscribed and paid-up shares with a par value of one euro each.

At 31 December 2023, the Company's majority shareholder is Acciona, S.A. As mentioned in Note 1, on 1 July 2021, a portion of the Company's shares was admitted to trading on the Spanish Stock Exchange Interconnection System (SIBE - Madrid, Barcelona, Valencia and Bilbao Stock Exchanges). At the date of these annual accounts, the majority shareholder of Corporación Acciona Energías Renovables is Acciona, S.A., with 82.75% of the shares. The remainder is freely traded on the stock exchange. At 31 December 2022, Acciona, S.A. owned 100% of the Company's shares.

Transactions and balances held with Acciona, S.A. at 31 December 2023 are detailed in Note 15.

### b) Legal reserve

Under the Revised Text of the Capital Companies Act, 10% of the year's net profit must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserves may only be used to increase capital. Except for the purpose mentioned above, and as long as they do not exceed 20% of the capital, these reserves may only be used to offset losses, provided that there are no other reserves available for this purpose.

At 31 December 2023 and 2022, these reserves were fully funded.

### c) Issue premium

The balance under 'Share premium' at 31 December 2023 and 2022 is €2,600,000,000 as a result of the issue of new shares in April 2016, which is described in Note 7.a), with a €4 premium per share. Article 296 of the Consolidated Text of the Capital Companies Act explicitly permits the use the share premium balance to increase capital and does not establish any specific restrictions on the availability of this balance.

### d) Treasury stock in special situations

The changes in treasury stock in financial years 2023 and 2022 were as follows:

	2023		2022	
	Number of shares	Cost (millions of euros)	Number of shares	Cost (millions of euros)
Opening balance	130,951	4	53,937	2
Added	3,057,275	100	3,785,996	137
Removed	(3,058,344)	(100)	(3,708,982)	(135)
Changes in liquidity contracts	(1,069)	--	77,014	2
Rest of additions	2,512,865	65	--	--
Rest of removals	--	--	--	--
All other changes	2,512,865	65	--	--
Closing balance	<b>2,642,747</b>	<b>69</b>	<b>130,951</b>	<b>4</b>

On 18 October 2021, Corporación Acciona Energías Renovables, S.A. entered into a liquidity agreement with Bestinver Sociedad de Valores, S.A. for the management of its treasury stock under the terms of Circular 1/2017 of the National Securities Market Commission (CNMV). Within the framework of this agreement, the transactions with company shares are carried out by Bestinver on the Spanish stock exchanges and the purpose is to favour the liquidity of the transactions and the regularity of the stock price.

Noteworthy in 2023 was the block purchase transaction whereby a total of 100,000 of the Company's own shares, which is equal to 0.03% of the capital, were acquired as direct treasury shares, at a price of €33.80 per share.

On 27 August 2023, the Board of Directors approved a temporary programme for the repurchase of treasury under the authorisation granted by the General Shareholders' Meeting held on 26 May 2021 (the 'Buyback Programme') and pursuant to the provisions of Articles 2.2 and 2.3 of the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse, temporarily suspending the liquidity contract as a result. Within the framework of this Buyback Programme, in 2023 the Company carried out transactions with its own shares. These transactions are shown as 'Other transactions'. The Buyback Programme ended on 27 February 2024.

The Treasury Stock Buyback Programme will affect a maximum of 4,938,759 shares, or approximately 1.5% of the Company's capital, up to a maximum monetary value of €172,856,565 million. The purpose of the Buyback Programme is to reduce capital by redeeming up to 4,488,759 shares, approximately 1.36% of the Company's capital, subject to a resolution of the General Shareholders' Meeting. The Buyback Programme is also intended to provide a pool of shares, up to 450,000, or approximately 0.14% of the Company's capital, to meet the obligations that may arise from the Share Delivery Plans for executive directors, executives and employees of the Group.

In 2023, the loss recorded in reserves from transactions with treasury stock carried out under the liquidity contract was €0.1 million (gain of €0.3 million in 2022).

#### e) Shareholder/owner contributions

On 22 March 2021, Acciona, S.A., the majority shareholder of Corporación Acciona Energías Renovables, S.A., approved the contribution of shareholders through which it proceeded to capitalise €1,859,000,000 of the financial debt held with Acciona Group companies at that date and in particular of that held with Acciona Financiación de Filiales, S.A., through a non-monetary contribution of the credit rights with this subsidiary made by the Company's shareholder (Acciona, S.A.). Previously, Acciona Financiación de Filiales, S.A. transferred these credit rights to Acciona S.A. under a purchase and sale agreement entered into on the same date. The carrying value of these credit rights does not differ significantly from the fair value.

This contribution was consistent with the provisions of the General Accounting Plan approved by Royal Decree 1514/2007 of 16 November 2007. It is recorded in account 118, 'Shareholder/Owner Contributions' and included in caption 11 (Reserves and other equity instruments) (see note 5).

The credit rights are transferred without any consideration for the transferor in order to strengthen the Company's equity and is irrevocable.

#### f) Interim dividend

On 31 December 2021, the joint directors of Corporación Acciona Energías Renovables, S.L.U. agreed to pay an interim dividend of €100 million out of 2022 profits. The dividend was paid on 13 April 2022.

## 8. RISK MANAGEMENT POLICY

The Company's business is exposed to certain financial risks that are effectively managed by applying systems designed to identify, measure and evaluate the different types of risks.

In keeping with the general policy of the Acciona Group, risk management is a part of the overall management policy which comprises a set of specific procedures intended to identify, evaluate and mitigate risks, backed by an insurance scheme to guarantee that when situations occur in which those risks do materialise, they do not jeopardise the Company's financial solvency.

Each one of the Acciona Group's business areas, and specifically the Energy Division to which the company pertains, evaluates and controls the risks to which it is exposed. The Acciona Group establishes the maximum risks that can be assumed by each business and coordinates with each area to ensure the consistency and uniformity of the global risk management system, thereby ensuring that the exposure to risk assumed by the Group is known at all times.

## **Financial risk management objectives**

The principal functions of the Company's treasury include: providing service to the business, coordinating access to domestic and international financial markets and supervising and managing operating risks.

To do so, the Company analyses the exposure, level and magnitude of the financial risks. These include market risks (which in turn encompass interest rate and price risks), credit risks and liquidity risks.

## **Interest rate risk**

Interest rate fluctuations modify the future flows of the assets and liabilities tied to an adjustable interest rate.

The interest rate of reference on the Company's debt is primarily the Euribor. The Company does not regularly resort to external markets to raise financing, its main source of financing being the reciprocal credit line agreement between the Company and the Group company Acciona Energía Financiación de Filiales S.A.U. dated 5 July 2021, with a limit of €2,634,000,000 (see Notes 5, 9 and 14).

## **Credit risk and risk management**

Credit risk refers to the risk that a counterparty to an agreement may breach its contractual obligations thereby causes the Company to sustain economic losses. The Company has no significant exposure to this risk with any of its customers, most of which are Group companies or associate who do business with companies of recognised solvency in the field of electricity distribution.

## **Liquidity risk and risk management**

The guiding principle of the Company's liquidity risk management is prudence, maintaining sufficient amounts of cash and cash equivalents and credit facilities in amounts that are sufficient to satisfy its cash requirements.

The ultimate responsibility for managing liquidity risk lies with the Acciona Group's Economic-Financial General Management, where an appropriate framework is in place to control the Group's liquidity needs in the short, medium and long term. The Company manages its liquidity by maintaining adequate reserves, appropriate banking services and the availability of loans and credit by constantly supervising the forecasts and the actual flow of funds and pairing these with the maturity profiles of the financial assets and liabilities.

With regard to liquidity risk, at 31 December 2023 the Company has €860 million in positive working capital (€335 million in positive working capital at 31 December 2022).

## 9. CURRENT AND NON-CURRENT PAYABLES TO GROUP COMPANIES AND ASSOCIATES

The details of the financial debt with Group companies and associates at 31 December 2023 and 2022 is shown below in millions of euros:

	2023		2022	
	Non-current	Current	Non-current	Current
Acciona Energía Financiación Filiales, S.A.	--	2	--	409
Biodiesel Caparroso S.L.	--	9	--	8
Empordavent, S.L.U.	--	2	--	3
Saltos del Nansa, S.A.U.	--	18	--	16
Corporación Acciona Hidráulica, S.L.U.	--	34	--	--
Biomasa Sangüesa S.L.	--	1	--	1
Eólica de Rubio S.A	--	3	--	3
Energiea Serv. y Mantenimiento S.L.	--	5	--	3
Generación de Energías Renovables S.A.	--	4	--	6
Acciona Eólica de Galicia S.A.	--	11	--	12
Ceólica Hispania, S.L.	--	246	--	300
Energías Eólicas Cataluña S.A.	--	2	--	4
Corporación Acciona Eólica, S.L.U.	--	42	--	27
Acciona Eólica Castilla La Mancha, S.L.	--	160	--	6
Sistemas Energéticos Valle Sedano S.A.	--	5	--	--
Acciona Green Energy Development, S.L.	--	81	--	81
Parque Eólico Ciudad Real S.L.	--	15	--	3
Sierra de Selva, S.L.U.	--	3	--	--
Ineuropa de Cogeneración, S.A.U.	--	1	--	1
Terranova Energy Corporation, S.A.	--	1	--	1
Acciona Saltos de Agua S.L.	--	7	--	3
Acciona Biocombustible, S.A.	--	--	--	6
Acciona Eólica Levante, S.L.	--	133	--	16
Biomasa Miajadas, S.L.	--	--	--	5
Hidroeléctrica del Serradó, S.L.	--	1	--	2
Parques Eólicos Celadas, S.L.	--	1	--	5
Parque Eólico Villamayor, S.L.	--	38	--	3
Parques Eólicos del Cerrato	--	3	--	5
Acciona Energía Global, S.L.	--	151	--	--
Acciona, S.A.	--	8	--	--
Paramo de los Angostillos	--	1	--	--
Valdivia Energía Eólica	--	26	--	--
Energías Renovables de Peñanebina	--	15	--	--
Other Group companies and associates	--	14	--	13
<b>Total owed to Group companies and associates</b>	<b>--</b>	<b>1,043</b>	<b>--</b>	<b>942</b>

Debt with Group companies and associates recognised at amortised cost There are no material differences between the book value and the fair value.

This caption on the balance sheet is mostly composed of the accrued and unpaid interest at the end of the year. The average annual interest rates are 4% in 2023 (2% in 2022).

Regarding the reciprocal credit (cash pooling) agreement signed by the Company and Acciona Financiación de Filiales, S.A.U. on 30 September 2014, it should be noted that this line was increased to €2,634,000,000 under an agreement dated 19 October 2016.

This line of credit was cancelled on 5 July 2021, on the same date as a new reciprocal line of credit was formalised between Acciona Energía Financiación de Filiales S.A.U. and Corporación Acciona Energías Renovables, S.A. with a limit of €2,634,000,000, as part of the centralised cash pooling system (see note 5).

All the Company's financing is received from member companies of the Group.

## 10. TRADE AND OTHER PAYABLES

The composition of the balance under this heading at 31 December 2023 and 2022, in thousands of euros, was as follows:

	2023	2022
Suppliers, Group companies and associates (Note 15)	34	25
Sundry creditors	1	2
Personnel	15	13
Other taxes payable	--	--
<b>Total</b>	<b>50</b>	<b>40</b>

This caption includes mainly the debt with Acciona, S.A. for the provision of management and administration services in accordance with the service provision agreement.

The information required under the third additional provision of Law 31/2014 of 3 December is detailed below, prepared in accordance with the terms of the Resolution of the Accounting and Audit Institute dated 29 January 2016. This information refers to Spain only, which is the geographical scope of application of the law:

<i>Payments made and payments outstanding at the end of the financial year</i>	31.12.23	31.12.22
	Days	Days
Average days to pay suppliers*	41	21
Percentage of transactions paid	44	23
Percentage of transactions outstanding	15	8
	Amount (millions of euros)	Amount (millions of euros)
Total payments made	114	11
Total payments pending	13	2

The 'weighted average days to pay suppliers' is understood as the amount of time that elapses between the delivery of the goods or services and the payment date.

The 'weighted average days to pay suppliers' is calculated as a quotient in which the numerator is the ratio of paid transactions to the total amount of the payments made plus the ratio of transactions pending payment to the total amount of pending payments and the denominator is the sum of the total payments made and the total payments pending.

The ratio of paid transactions is calculated as a quotient where the numerator is the sum of the products corresponding to the amounts paid times the number of days to pay (calendar days elapsed from the initial date to the actual payment date) and the denominator is the total amount of the payments made.

The ratio of pending transactions is calculated as a quotient where the numerator is the sum of the products corresponding to the amounts paid times the number of days during which the payment is pending (calendar days elapsed from the initial date to the closing date of the annual accounts) and the denominator is the total amount of pending payments.

The information required following the passage of Law 18/2022 for the Creation and Growth of Companies regarding invoices paid before the legal deadline is as follows:

	2023	2022
Volume paid (in millions of euros)	86	8
Percentage of total payments to suppliers	76%	79%
Number of invoices paid	571	60
Percentage of total supplier invoices paid	91%	18%

## 11. TAX SITUATION

### a) Taxes and social security balances

The details of the tax and social security balances at 31 December 2023 and 2022 were as follows (in millions of euros):

	2023	2022
Debit balances:	--	--
VAT payable	--	--
VAT payable	--	--
Payables:	--	--
VAT payable	--	--
Tax refunds due from withholdings	--	--
Social Security taxes payable	--	--

The Company files its taxes as part of the Acciona consolidated tax group whose parent company is Acciona, S.A. (see Notes 4.f), 5 and 15).

## b) Reconciliation of carrying results and taxable base

The reconciliation of the book value and the taxable base for corporate income tax purposes is as follows (in millions of euros):

	2023	2022
Profit for the year before corporate tax	242	595
Permanent differences	(108)	(415)
Dividends from companies in tax group (95)	(93)	(170)
Impairment losses on capital holdings/tangible and intangible assets/investment properties article 13.2.a LIS)	(15)	(199)
Impairment losses insolvency and bad debt (art. 13.1.2 LIS)	--	(46)
Taxable base (tax result)	134	180
Adjusted carrying result	134	180
Adjusted tax expense	33	45
Adjustments	--	(6)
Corporate tax expense	33	39
CURRENT Corporate tax expense	33	39
DEFERRED Corporate tax expense	--	1

The Company took a €6 million deduction in 2022 for double taxation as allowed under the 23rd Transitory Provision of the Corporate Tax Law in connection with the dividends earned by the company from Acciona Generación Renovable, S.A.

This deduction is related to the taxation of former shareholders for the capital gains generated on the sale of their holdings in Acciona Generación Renovable, S.A. to Acciona, S.A. The justifying documentation to support this tax deduction was obtained in 2021.

No deferred taxes were recognised by the Company in 2023 or 2022.

At 31 December 2023 and 2022, the Company has no tax loss carryforwards from the years prior to joining the consolidated Tax Group and no pending deductions. In addition, at 31 December 2023 and 2022, the Company does not have any tax impairment losses pending reversal.

In a judgment dated 18 January 2024, the Constitutional Court declared unconstitutional and null and void article 3.1(1) and (2) of Legislative Royal Decree 3/2016 of 2 December, which introduced tax measures aimed at consolidating public finances and other urgent social measures.

The overturned measures that directly affect the Acciona SA tax group are: limits on the offsetting of tax losses; ex novo introduction of limits on double taxation deductions and the obligation to include a minimum amount of the impairment of shares that have been deductible into the taxable base, by fifths, as established in article 12.3 of the Consolidated Text of the Corporate Income Tax Law, approved by Royal Legislative Decree 4/2004 of 5 March.

### c) Breakdown of corporate tax expense

The breakdown of corporate tax payable/receivable in 2023 and 2022 is as follows (in millions of euros):

	2023	2022
Current year tax	33	39
<b>Income tax payable/(receivable)</b>	<b>33</b>	<b>39</b>

### d) Tax returns subject to audit

According to tax law, tax returns are not considered final until they have been audited by tax authorities or until the four-year statute of limitations has elapsed.

The Company's returns for all other taxes for the last four years are open to audit.

Because tax laws are subject to different interpretations, it is possible that future audits by the tax authorities could result in tax liabilities, the amount of which cannot be objectively quantified at this time. However, the possibility of significant liabilities arising is remote.

## 12. INCOME AND EXPENSES

### a) Distribution of net revenue.

The breakdown of net revenue for 2023 and 2022, all of which came from Spain, is as follows:

	2023	2022
Group companies and associates	211	119
Provision of Services	115	97
Dividends	88	174
<b>Total</b>	<b>414</b>	<b>390</b>

In 2023 and 2022, most of the Company's activities were those of a holding company. As such, the Company has no significant commercial activity of its own, and therefore has no business segments. The amounts shown under this heading on the income statement refer mainly to the provision of services to Group companies, as well as income from dividends received from subsidiaries and financial income associated with the financing the subsidiaries.

### b) Personnel expenses

The details of personnel expenses in 2023 and 2022 are as follows:

	2023	2022
Wages, salaries and similar	11	17
Social Security paid by company	--	--
Other employee benefits	--	--
<b>Total personnel expenses</b>	<b>11</b>	<b>17</b>

The average headcount in 2023, by professional category and gender, was as follows:

	2023		2022	
	Men	Women	Men	Women
Directors	6	4	8	4
Managers		1	--	1
<b>Total headcount</b>	<b>6</b>	<b>5</b>	<b>8</b>	<b>5</b>

In 2023 and 2022, the Company had no employees with a disability of 33% or more.

#### c) External services

The details are as follows in millions of euros:

	2023	2022
Rents and royalties	--	--
Services of independent professionals	2	1
Insurance premiums	--	1
Bank services	--	--
Other expenses	109	85
<b>Total</b>	<b>111</b>	<b>87</b>

### 13. BALANCE AND TRANSACTIONS IN FOREIGN CURRENCY

The details of the financial assets with Group companies and associates (loans) denominated in foreign currency at 31 December 2023 and 2022 are as follows (in thousands of euros) (see note 5b):

	Currency	2023		
		Non-current	Current	
		Loans (millions of euros)	Loans (millions of euros)	Interest (millions of euros)
Acciona Energía Internacional, S.A.	USD	184	37	--
Almeyda SPA	USD	--	--	--
Avenir El Romero SPA	USD	--	--	--
Gunning W. Energy Development PTY LTD	USD	--	--	--
Malgarida I SPA	AUD	11	--	2
Malgarida II SPA	USD	76	--	13
Mortlake South Wind Farm Pty.	AUD	--	--	--
MT Gellibrand Wind Farm PTY LT	AUD	--	--	--
P.Eólico San Gabriel, SPA	USD	152	--	29
Pyrenees W. Energy Dev. PTY LTD	AUD	--	--	--
Tolpan Sur SPA	USD	60	--	11
<b>Total loans to Group companies and associates</b>		<b>483</b>	<b>37</b>	<b>55</b>

	Currency	2022		
		Non-current	Current	
		Loans (millions of euros)	Loans (millions of euros)	Interest (millions of euros)
Acciona Energía Internacional, S.A.	USD and CAD	229	38	--
Almeyda SPA	USD	40	--	4
Avenir El Romero SPA	USD	184	--	18
Gunning W. Energy Development PTY LTD	USD	30	2	--
Malgarida I SPA	AUD	14	--	2
Malgarida II SPA	USD	104	--	10
Mortlake South Wind Farm Pty.	AUD	--	--	--
MT Gellibrand Wind Farm PTY LT	AUD	--	--	--
P.Eólico San Gabriel, SPA	USD	192	--	20
Pyrenees W. Energy Dev. PTY LTD	AUD	52	10	--
Tolpan Sur SPA	USD	122	--	15
Usya SPA	USD	48	--	7
<b>Total loans to Group companies and associates</b>		<b>1,015</b>	<b>50</b>	<b>76</b>

In 2023, the Company recognised €24 million in exchange rate differences in connection with the aforementioned financial instruments. (€83 million in 2022) of which (€12) million are realised gains/losses (€15 million in 2022).

#### 14. THIRD PARTY GUARANTEES AND OTHER CONTINGENT LIABILITIES

At 31 December 2023, the Company had provided a corporate guarantee covering the entire debt of several Group subsidiaries. The debit balances at 31 December 2023 is €3,609 million (€1,803 million at 31 December 2022).

## 15. RELATED PARTY TRANSACTIONS AND BALANCES

### a) Transactions and balances with Acciona, S.A.

The table below details the balances and transactions between Corporación Acciona Energías Renovables, S.A. and Acciona, S.A. in 2023 and 2022 (in millions of euros):

	2023			2022		
	Trade operations	Corporate tax current account	Dividends	Trade operations	Corporate tax current account	Dividends
Debit balances (Notes 5 and 6)	--	--	--	--	7	--
Credit balances (Notes 9 and 10)	(27)	(8)	--	(19)	--	--
Expenses	(58)	--	(191)	(41)	--	(76)
Revenue	--	--	--	--	--	--

‘Expenses’ and credit balances include balances on outstanding invoices for management support services provided to the Group by Acciona, S.A. These transactions were carried out at arm’s length under the terms of the Framework Agreement signed by the Group and Acciona, S.A. on 26 May 2021, the purpose of which is to regulate relations between the two companies and their respective groups (the ‘Framework Agreement’).

The Framework Agreement includes a list of the main works, goods and services that Acciona and its respective groups have been performing, selling or providing to each other, including but not limited to services other than the ones mentioned above that may be provided by agreement between the parties. As part of the development and performance of the Framework Agreement, the Company has entered into a series of framework agreements with Acciona, S.A. and subsidiaries for the provision of services under fair market conditions and within the scope of ordinary management, such as the Framework Agreement with Acciona Tecnología y Servicios, S.L. and the Cost-Sharing Agreement with Acciona, S.A.

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

The details of the most significant transactions and balances with Group companies and associates in 2023 and 2022 are shown below (in millions of euros), excluding the transactions and balances with Acciona, S.A.:

	2023			2022		
	Trade operations	Financial operations	Dividends	Trade operations	Financial operations	Dividends
Debit balances (Notes 5 and 6)	58	3,601	30	87	3,602	--
Credit balances (Notes 9 and 10)	(7)	(1,036)	--	(6)	(942)	--
Expenses	(71)	(48)	--	(28)	(17)	--
Revenue	115	211	88	97	198	174

In both years, the transactions are mainly related to:

- Interest receivable on loans granted to Group companies (see Note 5).
- Interest payable on debt contracted mainly with Acciona Energía Financiación de Filiales S.A.U. (see Note 9).
- Transactions con Acciona Technologica y Servicios S.L. under a Framework Agreement MARCO (see note 15.a).

## 16. SALARIES AND BENEFITS

### A. Board of Directors

The remuneration paid to the members of the Company's Board of Directors in 2023, considering that such remuneration is taken from the perspective of the parent company and subsidiaries, was as shown in this note, in euros.

Pursuant to Article 29 of the Company's Articles of Association, the remuneration of the Board of Directors for acting in their capacity as such consists of a fixed annual allowance determined for sitting on the Board and Board committees. The remuneration which the Company may pay to all Board Members for sitting on the Board of Directors and Board committees is determined at the General Shareholders' Meeting.

Unless otherwise stipulated by the General Meeting or the Remuneration Policy, the exact amount to be paid within this limit and its distribution among the different Board Members is determined by the Board of Directors under this framework on the recommendation of the Appointments and Remuneration Committee, considering the functions and responsibilities of each Board Member, their board committees and other objective circumstances it deems relevant.'

The provisions of the preceding paragraph notwithstanding, the remuneration of Board members is compatible with any other remuneration (salaries, bonuses for the achievement of business and/or corporate objectives and/or personal performance objectives; severance pay when a director is terminated for reasons other than breach of their duties; social welfare systems; deferred remuneration items, etc.) which, on the recommendation of the Appointments and Remuneration Committee and by resolution of the Board of Directors may be paid to the Director for the performance of other functions in the Company, including executive functions of senior management or others, but excluding the supervisory and collegiate decision-making functions they perform as members of the Board.

Subject to a resolution of the General Shareholders' Meeting and to the extent allowed by law, executive directors' compensation may also take the form of shares or stock options or any other remuneration system linked to the value of the shares.

Article 43 of the Board Regulations stipulates that it is up to the Board of Directors to decide on the remuneration system for Board Members within the framework established in the Articles of Association.

The Board of Directors will endeavour to ensure that Directors' remuneration is moderate and in line with what is offered in the market by companies of a similar size in similar lines of business, favouring arrangements that link a significant part of their remuneration to their dedication to Corporación Acciona Energías Renovables, S.A.

The remuneration system for independent directors must be sufficient to compensate them for their efforts without compromising their independence. The remuneration of proprietary directors must be proportionate to that of the other directors and must not entail favourable treatment in the remuneration of the shareholder that appointed them. The remuneration system must be based on comparable compensation for comparable functions.

With regard to the remuneration of executive directors, Article 44 of the Regulations provides that the Board of Directors must also ensure that the remuneration policies in force from time to time include, for variable remuneration, technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or other circumstances of this kind. The directors' remuneration must be transparent.

The General Shareholders' Meeting approved the Remuneration Policy for Directors applicable from the effective date of admission to trading of Acciona Energía shares on the regulated market on 1 July 2021 and which will remain in force until 2024.

The above notwithstanding, in 2023 the General Shareholders' Meeting approved a new Remuneration Policy for Directors, applicable from its effective date of approval and for the three-year period from 2024 to 2026, as a result of the Company's listing on the IBEX-35. The aim is also to achieve greater alignment with best practices and the latest trends in good governance.

The current Remuneration Policy establishes that the maximum annual remuneration to be paid to all directors in their capacity as such is €1,750,000 and, unless otherwise determined by the General Shareholders' Meeting, the remuneration will be distributed among the directors by resolution of the Board of Directors, which shall take into consideration the functions and responsibilities of each director, the Board committees they sit on and any other circumstances it deems relevant. On the recommendation of the Appointments and Remuneration Committee, the Board of Directors established the following annual amounts:

<i>Assignment</i>	<i>Amount (in thousands of euros)</i>
Members of the Board of Directors (*)	100
Additional amount for Chairman of the Board of Directors	--
Member of Audit and Sustainability Committee	70
Additional amount for Chairman of Audit and Sustainability Committee	18
Member of Appointments and Remuneration Committee	55
Additional amount for Chairman of Appointments and Remuneration Committee	14
Additional amount for members of Executive Committee (if there is one)	55
Additional amount for Independent Director Coordinator	30

(\*) Except Executive Directors

The Appointments and Remuneration Committee considered that the proposed remuneration is in line with what is paid in the market by companies of a comparable size and scope, that the remuneration is similar for comparable functions and dedication, and that without compromising their independence it adequately incentivises the directors on the different committees.

The total remuneration paid to the Board of Directors for the performance of its duties as the Company's governing body during in 2023 was €1,332,000 in 2022 (€1,332,000 in 2022), broken down as follows:

	Fixed remuneration	Allowance for sitting on Board committees	2023	2022
José Manuel Entrecanales Domecq	--	--	--	--
Juan Ignacio Entrecanales Franco	--	--	--	--
Rafael Mateo Alcalá (Executive Director)	--	--	--	--
Sonia Dulá	100	70	170	170
Juan Luis López Cardenete	100	63	163	155
Noelia Karen Christiana Figueres Olsen	100	55	155	155
Alejandro Mariano Werner Wainfeld	100	64	164	155
María Inés Elvira Andrade Moreno**	41	29	70	169
Noelia Maria Salgado Madriñán	100	69	169	188
Rosauro Varo Rodríguez	100	61	161	170
Noelia María Fanjul Suárez	100	81	181	170
María Maria Teresa Quirós Alvarez*	59	40	99	--
<b>Total</b>	<b>800</b>	<b>532</b>	<b>1,332</b>	<b>1,332</b>

(\*) Directors who joined the Board in 2023.

(\*\*) Directors who stepped down from the Board in 2022.

Proprietary directors who perform executive functions for the parent company did not receive any remuneration for acting in their capacity as such in 2023 and 2022.

The CEO's cash remuneration for the performance of senior management functions and for sitting on the board totalled €836,000 in 2023 (€718,000 in 2022). He also received in kind compensation in the amount of €27,000 and €26,000 in 2023 and 2022, respectively, and €167,000 in vested shares in 2023. He received 80% of the annual stock delivery agreed by the Board of Directors on the recommendation of the Appointments and Remuneration Committee, or 3,596 shares, in exchange for the achievement of annual performance objectives in the 2021 Plan, which is discussed below in this note. He also received 20% of the shares to be delivered in 2022 (1,025 shares) which were deferred for one year. In 2022 he earned €112,000 in gross profit for vested shares, equal to 80% of the annual stock delivery plan approved by the Board of Directors in 2022 (4,099 shares) upon the recommendation of Appointments and Remuneration Committee.

The total remuneration of the members of the Board of Directors of Corporación Acciona Energías Renovables, S.A., including remuneration for executive functions, in their capacity as directors of this company was €2,362,000 and €2,188,000 in 2023 and 2022, respectively.

The Group has not granted any advances, loans or guarantees to any members of the Board of Directors.

## B. Officers

The details of the people who held senior management positions in Grupo Corporación Acciona Energías Renovables (including the parent company and subsidiaries) in 2023 are as follows:

<i>Name</i>	<i>Title (s)</i>
Ana Benita Aramendia	Director of Organisation and Talent
Antonio Ferreiro Viña	Director of Procurement and Logistics
Arantza Ezpeleta Puras	Director of Operations
Belén Linares Corell	Director of Innovation
Brett Wickham	Country Director of Australia
David Liste Alba	Director of Energy Services
Elvira López Prados	Office of the CEO
Francisco Javier Montes Jiménez	Director of Sales
Ignacio del Romero Montes	Internal Audit
Joaquín Ancín Viguiristi	Director of Engineering and Construction
Joaquín Francisco Castillo García	Country Director for North America
Jorge Paso Cañabate	Country Director for Mexico and Central America
José Entrecanales Carrión	Director of Finance and Sustainability
Juan Otazu Aguerri	Production Director
Klaus Falgiani	Country Director for Europe and North Africa
Marta Simón Benito	Compliance
Miguel Ortiz de Latierro	Director of Prevention, Social Responsibility, the Environment and Quality
Rafael Esteban Fernández de Córdoba	Director of Development:
Raimundo Fernández-Cuesta Laborde	Director of Finance and Investor Relations
Santiago Gómez Ramos	Director of Energy Management
Yolanda Herrán Azanza	Director of Legal Affairs

The details of the people who held senior management positions in Grupo Corporación Acciona Energías Renovables (including the parent company and subsidiaries) in 2022 are as follows:

<i>Name</i>	<i>Title (s)</i>
Ana Benita Aramendia	Director of Organisation and Processes
Antonio Ferreiro Viña	Director of Procurement and Logistics
Arantza Ezpeleta Puras	CFSO
Belén Linares Corell	Director of Innovation
Brett Wickham	Country Director of Australia
Elvira López Prados	Office of the CEO
Francisco Javier Montes Jiménez	Director of Sales
Ignacio del Romero Montes	Internal Audit
Joaquín Ancín Viguiristi	Director of Engineering and Construction
Joaquín Francisco Castillo García	Country Director for North America
Jorge Paso Cañabate	Country Director for Mexico and Central America
José Entrecanales Carrión	Director of Corporate Development and Investor Relations
José Ignacio Escobar Troncoso	Country Director for South America
Juan Otazu Aguerri	Production Director
Klaus Falgiani	Country Director for Europe and North Africa
Maite Ecay Marchite	Director of Organisation, Talent y Health
Miguel Ángel Alonso Rubio	Country Director for Mexico and Central America
Miguel Ortiz de Latierro	Director of Prevention, Social Responsibility, the Environment and Quality
Rafael Esteban Fernández de Córdoba	Director of Development:
Raimundo Fernández-Cuesta Laborde	Director of Finance and Investor Relations
Santiago Gómez Ramos	Director of Energy Management
Yolanda Herrán Azanza	Director of Legal Affairs

The above details include the persons holding management positions in their capacity as Senior Management of the Grupo Corporación Acciona Energías Renovables and the head of internal audit. This classification is for information purposes only and should never be used as a way of interpreting or assessing the concept of senior management established in the laws in force, and in particular in Royal Decree 1382/1985.

The remuneration of persons in senior management positions, excluding those who are simultaneously members of the Board of Directors (whose remuneration is discussed above) during financial years 2023 and 2022 can be summarised as follows:

	2023	2022
Number of people	21	22
Remuneration (thousands of euros)	8,118	8,725

The amounts shown for 2023 and 2022 include the termination benefits paid to executives who left the company in 2022 due to the termination of their contractual relationships.

The Group is recording the accrued cost of this, under the heading 'Personnel costs' in the consolidated income statement of the period, estimated based on the progress of the variables that make them eligible for the relevant variable compensations, which are paid once the shares are distributed to each employee. In those cases where the shares delivered are shares of the Group's majority shareholder, the cost is recorded against an account with Acciona, S.A.

Below is a breakdown of the various share distribution plans approved by Grupo Corporación Acciona Energías Renovables as of the filing date of these consolidated annual financial statements of the Group, and their characteristics and scope within the various levels of the personnel structure.

### 2021 Plan for 'performance shares' and distribution of shares to the executive directors of Corporación Acciona Energías Renovables, S.A., as a long-term incentive related to value creation

The Company currently has a long-term incentive plan related to growth and sustainability goals established in the 2021–2025 Business Plan, known as the '2021 Performance Share and Stock Delivery Plan' or '2021 Plan' for the executive directors of Corporación Acciona Energías Renovables, S.A.' approved at the Extraordinary General Meeting of Shareholders of Grupo Corporación Acciona Energía Renovable at its meeting of 26 May 2021, in the context of its initial public offering. The main features of this plan are as follows:

**Plan beneficiaries:** Executive directors of Corporación Acciona Energías Renovables, S.A. who, during the effective period of the 2021 Plan are directors with executive roles in Grupo Corporación Acciona Energía Renovable.

**Plan duration:** from 1 January 2021 to 31 December 2025.

**Metrics used to measure the level of goal attainment:**

Financial metrics:

- (i) Total installed power, measured in gigawatts (GW).
- (ii) EBITDA, defined as the cumulative value of the figure of earnings before interest, taxes, depreciation and amortisation in the period.
- (iii) BAI, defined as the cumulative value of pre-tax earnings in the period.

Sustainability metrics:

- (i) Reduction of carbon dioxide (CO<sub>2</sub>) emissions.
- (ii) Increase in the number of women in managerial and directorship positions.
- (iii) Implementation of local regeneration plans for new GWs.

Other metrics:

- (i) Total shareholder return (TSR), in absolute and relative terms, defined as the difference between the final value of an investment in common shares and the initial value of that same investment, accounting for the fact that the final value will consider dividends or other similar items received by the shareholder during the plan's effective period.
- (ii) Internal rate of return (IRR) of the projects invested in divided by the weighted average cost of capital (WACC) prevailing at the time of approval of the investment.
- (iii) Project pipeline
- (iv) Compliance with internal rules and procedures, and policies of control and risk management.

Calculation of the incentive: The data obtained in each of the metrics will be quantified in 2026, with the aggregate data from the five-year period of 2021–2025 and compared with the goals of the Business Plan for each of those metrics. The coefficient of the real datum of each value and its corresponding goal will provide, as a percentage, the real measurement of the degree by which the goal established for each metric has been achieved.

This measurement of the degree of fulfilment of the goal of each metric will be referred to as the goal's 'Attainment Level'.

To calculate the Individual Achievement Coefficient of the goal of each metric, and therefore the Beneficiary Incentive, the sum of the products resulting from multiplying (i) the Attainment Level of the objective of each of the Financial and Sustainability metrics by (ii) the weighting that the corresponding Financial and Sustainability metric has attributed to it as a relative weight must be equal to or greater than 65%. If the sum is less than 65%, the Beneficiary will not be eligible for an incentive under the '2021 Plan'.

Payment of incentive and deferral: The Achievement Rate is the multiplier to be applied to the Initial Beneficiary Assignment, and the result thus obtained will be the number of Performance Shares due to the Beneficiary as the 'Final Assignment'. With certain conditions met, 80% of the shares will be distributed in 2026 after the ordinary General Meeting of that year is held; the remaining 20% distribution of the shares will be deferred to 2027, after the ordinary General Meeting of that year is held, at least one year after the date on which the initial 80% of the shares were distributed.

Malus and clawback: Corporación Acciona Energías Renovables, S.A. can claim from an executive director within the three years following each date on which an incentive payment has been made (including the deferred payment of part of the incentive) the return (clawback) of all or part of the incentive paid to executive director if, during that period, the board of directors determines, at the proposal of the Appointments and Remuneration Committee, that any of the following scenarios (malus) has occurred:

- (i) the executive director commits a serious breach of the duties of diligence or loyalty by which they are required to act while in office, or for any other serious and culpable breach of the obligations assumed by the executive director under their contracts with Grupo Corporación Acciona Energías Renovables for the performance of their executive duties, or
- (ii) it is verified that the executive director has received the incentive after having executed the plan based on data that later proves to be manifestly inaccurate.

Early settlement: In line with corporate needs, and if circumstances arise that make it advisable for the Group in the opinion of the board of directors, after considering a recommendation by the Appointments and Remuneration Committee, the final assignment and payment of the incentive may be brought forward by distributing the shares to the beneficiaries based on progress towards the fulfilment of the objectives and indicators prescribed in this Regulation up to that point, as well as their projected future achievement.

#### [2021 Plan for 'performance shares' and distribution of shares to management of Corporación Acciona Energías Renovables, S.A., as a long-term incentive related to value creation:](#)

The Group currently has a long-term incentive plan related to the growth and sustainability goals established in the 2021–2025 Business Plan, known as the '2021 Directors' Plan' approved by the board of directors at its meeting of 31 May 2021. The main features of this plan are as follows:

**Plan beneficiaries:** The directors of Grupo Corporación Acciona Energías Renovables and other employees at the discretion of the Board of Directors, subject to a report by the Appointments and Remuneration Committee.

**Plan duration:** from 1 January 2021 to 31 December 2025.

## Metrics used to measure the level of goal attainment:

### Financial metrics:

- (i) Total installed power, measured in gigawatts (GW).
- (ii) EBITDA, defined as the cumulative value of the figure of earnings before interest, taxes, depreciation and amortisation in the period.
- (iii) BAI, defined as the cumulative value of pre-tax earnings in the period.

### Sustainability metrics:

- (i) Reduction of carbon dioxide (CO<sub>2</sub>) emissions.
- (ii) Increase in the number of women in managerial and directorship positions.
- (iii) Implementation of local regeneration plans for new GWs.

### Other metrics:

- (i) Total shareholder return (TSR), in absolute and relative terms, defined as the difference between the final value of an investment in common shares and the initial value of that same investment, accounting for the fact that the final value will consider dividends or other similar items received by the shareholder during the plan's effective period.
- (ii) Internal rate of return (IRR) of the projects invested in divided by the weighted average cost of capital (WACC) prevailing at the time of approval of the investment.
- (iii) Project pipeline
- (iv) Compliance with internal rules and procedures, and policies of control and risk management.

Calculation of the incentive: The data obtained in each of the metrics will be quantified in 2026, with the aggregate data from the five-year period of 2021–2025 and compared with the goals of the Business Plan for each of those metrics. The coefficient of the real datum of each value and its corresponding goal will provide, as a percentage, the real measurement of the degree by which the goal established for each metric has been achieved.

This measurement of the degree of fulfilment of the goal of each metric will be referred to as the goal's 'Attainment Level'.

To calculate the Individual Achievement Coefficient of the goal of each metric, and therefore the Beneficiary Incentive, the sum of the products resulting from multiplying (i) the Attainment Level of the objective of each of the Financial and Sustainability metrics by (ii) the weighting that the corresponding Financial and Sustainability metric has attributed to it as a relative weight must be equal to or greater than 65%. If the sum is less than 65%, the Beneficiary will not be eligible for an incentive under the '2021 Directors' Plan'.

Payment of incentive and deferral: The Achievement Rate is the multiplier to be applied to the Initial Beneficiary Assignment, and the result thus obtained will be the number of Performance Shares due to the Beneficiary as the 'Final Assignment'. The shares will be distributed in 2026, after the ordinary General Meeting of that year is held.

Multi-year distribution of shares: During the effective period of the '2021 Directors' Plan', the Board of Directors, on the recommendation of the Appointments and Remuneration Committee, may, unilaterally and with full discretionality, decide the assignation and distribution of shares on an extraordinary basis (entirely independent from the distributions prescribed in other applicable share distribution plans approved both by the Group and by its reference shareholder) in respect of a multi-annual period of at least three years, without exceeding the duration of the '2021 Directors' Plan', as a result of the attainment of extraordinary results by the business unit or functional with respect to which the beneficiary has management responsibilities.

The beneficiary of the multi-year stock distribution may not sell, encumber, or dispose of them under any title (except mortis causa), or establish on them any option right or any other restriction of ownership or guarantee with respect to 50% of the shares distributed to them, for a period of one year from their distribution date, and with respect to the remaining 50% for a period of two years from their distribution date.

Buyback option: The '2021 Directors' Plan' includes a buyback provision in favour of Corporación Acciona Energías Renovables, S.A. for 100% of the shares distributed during the first year following the distribution date and 50% of the shares distributed during the second year following the distribution date, should certain circumstances arise.

Under this 2021 plan for the delivery of performance shares to senior management, the number of shares of Corporación Acciona Energías Renovables, S.A. delivered to senior executives as part of their 2022 bonus was 21,920 shares distributed among 15 senior executives.

As this Plan has a three-year vesting period, one-third of the fair values mentioned above is included under the heading Personnel expenses in the consolidated income statement at 31 December 2023. The remaining two-thirds will be charged to the income statement in 2024 and 2025.

#### Plan to replace bonuses with shares

On 23 March 2022, the Board of Directors of Corporación Acciona Energías Renovables, S.A., on the recommendation of the Appointments and Remuneration Committee, approved the 'Plan to Replace Bonuses with Acciona Shares for the Management of Corporación Acciona Energías Renovables, S.A. and its Group' (the Replacement Plan) on 23 February 2021 with the aim of building loyalty and retaining talent, the features of which are as follows:

**Purpose:** To effectively retain and incentivise the management team members and achieve greater alignment of their interests with those of the Company and its Group.

**Initial term:** Five years, from 1 December 2022 to 31 January 2026

**Object:** To offer certain executives of Corporación Acciona Energías Renovables, S.A. and its Group, at their discretion, the option of replacing or exchanging some or all of their cash bonus for shares of Corporación Acciona Energías Renovables, S.A., in accordance with an exchange ratio to be determined each year. The approved swap ratio includes a 25% incentive on the replaced bonus.

**Beneficiaries:** Executives proposed by the Board of Directors at its discretion. Executive directors are excluded from this Plan.

**Restrictions on the delivered shares:** Generally speaking, the delivered shares may not be sold, encumbered or disposed of for any reason (except causa mortis), and may not be the object of options or other ownership-limiting rights or guarantees, until after the 31st of March of the third year after the year in which the shares were received by the beneficiary.

The shares awarded to these beneficiaries as an incentive, but not the shares that replace the cash bonus will come with a right of repurchase in favour of Corporación Acciona Energías Renovables, S.A., exercisable if the beneficiary of the shares ceases to be a professional employee of the company or the Group before 31 March of the third year following that in which the shares are awarded, for a cause attributable to the beneficiary.

The price of the shares that will be taken as a reference to determine the exchange equation will be the closing price on the last stock exchange day in March of the year in which the Board of Directors decides on the assignment of the substitution option.

In the half of the 2023 financial year, 9,664 company shares were delivered to 20 executives of the Group as part of their 2022 cash bonus under the Substitution Plan.

On 22 February 2023, the Board of Directors, on the recommendation of the Appointments and Remuneration Committee, agreed to extend the plan to replace cash bonuses with shares for management personnel, including a 25% retention bonus for all bonus-eligible employees globally. Participation in the Plan is voluntary.

This Plan does not apply to the CEO, who has a commercial rather than labour relationship with the Group, nor to directors.

The Employee Substitution Plan was established in Australia in the first half of 2023. Under this plan in Australia, 2,601 shares were delivered to employees of Grupo Corporación Acciona Energías Renovables in 2023.

### Shareholders' Plan

The Board of Directors of Acciona unanimously agreed, on the recommendation of the Appointments and Remuneration Committee, to approve a new 'Shareholders' Plan' for all employees who are tax residents in Spain. Under this Plan, part of the variable and/or fixed compensation, up to €12,000 per year, can be delivered in the form of Company shares in accordance with the current regulatory framework which favours these types of plans from a tax perspective.

This is a completely voluntary plan that offers all employees of Grupo Corporación Acciona Energías Renovables who have their tax residence in Spain the possibility of participating in the company's profits by becoming a shareholder.

This plan does not apply to executive directors, who have a commercial rather than a labour relationship with the Company.

The Company delivered 77,139 shares in the first half of April 2023, valued at the closing price on 31 March 2023.

On 22 February 2023, the Board of Directors, on the recommendation of the Appointments and Remuneration Committee, agreed to extend the Employee Shareholder Plan to all employees who are tax residents in Australia. Participation in the Plan is voluntary.

The Employee Shareholder Plan was implemented in Australia in the second half of 2023. Under this plan, 650 shares were delivered to the employees of the Acciona Energy Group in Australia in 2023.

The Company has determined the fair market value of the goods and services received by reference to the fair value of the equity instruments granted on the basis of the share plans described above.

### Savings Plan

On 23 March 2022 the Board of Directors of Corporación Acciona Energías Renovables, S.A., on the recommendation of the company's Appointments and Remuneration Committee, approved a Savings Plan linked to survival to a certain age, permanent total, absolute and severe disability and death ('Savings Plan') aimed exclusively at the company's executive directors. The basic features are as follows:

- a) It is a defined benefit pension plan.
- b) It is an externally funded system in which the Company pays annual premiums to an insurance company on behalf of the Participant to provide benefits and coverage of contingencies such as (i) death and (ii) various degrees of permanent disability.
- c) If a participant ceases to be an Executive Director of Corporación Acciona Energías Renovables, S.A. for any reason, the Company will cease to pay the premiums for the Savings Plan on the date on which they official cease to hold office, without prejudice to the Participant's vested economic rights.
- d) Benefit payments under the Savings Plan will be made directly by the insurance company to the participants, net of the corresponding personal income tax withholdings, where applicable, which are payable by the beneficiary. For all other contingencies, payments will also be made directly by the insurance company to the beneficiaries.
- e) Participants in the Savings Plan will lose their status as such when they retire or when any of the covered risk contingencies materialise and collect a benefit or if they no longer occupy the position of Executive Director of Corporación Acciona Energías Renovables, S.A. for any reason other than the aforementioned.

As it currently functions, the Executive Director's Savings Plan consists of contributions made exclusively out of the Executive Director's annual variable remuneration, with the Executive Directors themselves deciding to use some or all of the annual variable remuneration for contributions to the Savings Plan. Apart from these contributions made by the Executive Directors out of their variable remuneration, the company does not currently make any additional contributions to the Savings Plan.

The variable remuneration is settled in cash, either at the time of payment or deferred through a contribution to the Savings Plan. A total of €500,000 was allocated in 2023 to contributions to the Savings Plan in the name of the Executive Directors against the variable remuneration for the 2022 financial year. The overall remuneration accounting for the Director's vested rights under this Plan is €1,038,000 euros as at 31 December 2023.

## 17. ENVIRONMENTAL DISCLOSURES

Company management is aware of existing environmental regulations, but due to the nature of its business it has not been necessary to make any environmental investments in 2023 or 2022.

In 2023 and 2022, the Company complied with all national, regional and local environmental laws.

## 18. OTHER DISCLOSURES

### a) Participation in and positions held in other companies by the Directors and persons related to them.

Pursuant to the provisions of Article 229. 2 and 3 of Royal Legislative Decree 1/2010 of 2 July 2010, which approved the Consolidated Text of the Capital Companies Act, as amended by Law 31/2014 of 3 December 2014, in order to reinforce the transparency of capital companies and report situations of conflict of interest where they exist, it is noted that at the end of the 2023 and 2022 financial years, neither the members of the Board of Directors nor the people related to them, as they are defined in the Capital Companies Act, had notified the other members of the Board of any direct or indirect conflict of interest affecting the Company.

### b) Auditors' Fees

In financial years 2023 and 2022, the fees for auditing and other services rendered by the Company's auditor, KPMG Auditores S.L. were as follows (in thousands of euros):

<i>Categories</i>	2023	2022
Internal audit services	457	425

In 2023, other verification and advisory services were rendered:

	2023	2022
Other verification services	124	190
Other services	135	--
	259	190

## 19. EVENTS AFTER THE BALANCE SHEET DATE

There were no other events subsequent to the closing date which could have a significant effect on the Company's financial statements at 31 December 2023 or its present or future activities.

## ANNEX I

### GROUP COMPANIES

(Amounts in millions of euros)

Name and address	Activity	Ownership %	Cost of investment	Accumulated impairment	Dividends paid (Note 15)	Total equity at 31.12.23				
						Capital	Operating income	Net profit (loss)	Other equity	Total equity
Ceólica Hispania, S.L. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	Holding	100	423	--	--	34	3	83	247	364
Ineuropa Proyectos Renovables, S.A.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	Renewables	100	29	(28)	--	2	--	--	--	2
Acciona Generación Renovables SA Avda. de la Innovación nº 5 31621 Sarriguren (Pamplona) (*)	Renewables	100	1,146	--	--	14	(57)	28	1,537	1,579
Acciona Eólica de Galicia, S.A.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	Operation of wind farms	100	17	--	(10)	14	41	31	15	50
KW Tarifa, S.A.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	Operation of wind farms	100	8	--	--	2	6	3	9	14
Álabe Sociedad de Cogeneración Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	Promotion of wind farms	100	--	--	--	--	3	19	4	23
Corporación Acciona Hidráulica, S.L.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	Operation of hydraulic plants	100	65	--	--	20	99	60	56	136
Corporación Acciona Eólica, S.L.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	Operation of wind farms	100	344	--	(20)	100	106	74	256	410
Acciona Saltos de Agua, S.L.U.	Operation	100	71	(71)	--	12	17	13	(8)	17

## GROUP COMPANIES

(Amounts in millions of euros)

Name and address	Activity	Ownership %	Cost of investment	Accumulated impairment	Dividends paid (Note 15)	Total equity at 31.12.23					
						Capital	Operating income	Net profit (loss)	Other equity	Total equity	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	of hydraulic plants										
Acciona Energía Fin.Filiales S.A	Operation of power plants	100	274	--	--	--	(1)	8	305	313	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)											
Acciona Adm. Energía, S.L.	Operation of hydraulic plants	100	--	--	--	--	--	--	--	--	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid)											
Acciona Adm.Energía Dos, S.L.	Operation of hydraulic plants	100	--	--	--	--	--	--	--	--	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid)											
Acciona Adm.Energía Tres, S.L.	Operation of hydraulic plants	100	--	--	--	--	--	--	--	--	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid)											
Acciona Desarr. Corporativo Energía, S.L.	Operation of hydraulic plants	100	--	--	--	--	--	--	--	--	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid)											
Apoderada Corporativa GRL, S.A.	Operation of hydraulic plants	100	--	--	--	--	--	--	--	--	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid)											
Acciona Energía Carbon Technologies, S.L.	Operation energy resources	100	--	--	--	--	--	--	--	--	
Avda Gran Vía de Hortaleza, 1 28033 (Madrid)											
Acciona Energía Re	Insurance	100	21	--	--	21	--	--	--	21	

**GROUP COMPANIES**

(Amounts in millions of euros)

Total equity at 31.12.23

Name and address	Activity	Ownership %	Cost of investment	Accumulated impairment	Dividends paid (Note 15)	Capital	Operating income	Net profit (loss)	Other equity	Total equity
145, Rue de Kiem 8030 Strassen (Luxembourg)			2,398	(99)	(30)					

(\*) Financial statements audited by KPMG

## GROUP COMPANIES

(Amounts in millions of euros)

Name and address	Ownership %	Cost of investment	Accumulated impairment	Dividends paid (Note 15)	Total equity at 31.12.22				
					Capital	Operating income	Net profit (loss)	Other equity	Total equity
Ceatesalas, S.L. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	984	(560)	--	23	--	(1)	5	27
Ineuropa de Cogeneración, S.A. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	29	(27)	--	2	--	--	--	2
Acciona Generación Renovables SA 31621 Sarriguren (Pamplona) (*)	100	1,146	--	--	14	81	164	1,297	1,475
Acciona Eólica de Galicia, S.A.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	100	17	--	--	14	56	42	--	56
KW Tarifa, S.A.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	8	(1)	--	2	12	8	(3)	7
Álabe Sociedad de Cogeneración Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	--	--	--	--	4	24	1	25
Corporación Acciona Hidráulica, S.L.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	100	65	--	--	20	158	112	(90)	42
Corporación Acciona Eólica, S.L.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	100	344	(14)	(30)	100	266	195	45	310

## GROUP COMPANIES

(Amounts in millions of euros)

Name and address	Ownership %	Cost of investment	Accumulated impairment	Dividends paid (Note 15)	Total equity at 31.12.22				
					Capital	Operating income	Net profit (loss)	Other equity	Total equity
Acciona Saltos de Agua, S.L.U. Avda Gran Vía de Hortaleza, 1 28033 (Madrid) (*)	100	71	(71)	--	12	11	21	(8)	25
Acciona Energía Fin.Filiales S.A Avda Gran Vía de Hortaleza, 1	100	274	--	--	--	(3)	7	283	290
Acciona Adm. Energía, S.L. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	--	--	--	--	--	--	--	--
Acciona Adm. Energía Dos, S.L. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	--	--	--	--	--	--	--	--
Acciona Adm.Energía Tres, S.L. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	--	--	--	--	--	--	--	--
Acciona Desarrollo Corporativo Energía, S.L. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	--	--	--	--	--	--	--	--
Apoderada Corporativa GRL, S.A. Avda Gran Vía de Hortaleza, 1 28033 (Madrid)	100	--	--	--	--	--	--	--	--
		2,938	(673)	(30)	--	--	--	--	--

(\*) Financial statements audited by KPMG

## 2023 DIRECTORS' REPORT

### Key Economic Indicators:

- The Company reported net revenue of €414 million in 2023 compared to €390 million in 2022, which represents a 6.07% increase over the year before.

- **EBITDA or gross operating profit:** defined as earnings before interest, taxes, depreciation and amortisation, i.e., it shows the Group's operating result. It is calculated by taking the following items from the consolidated income statement: 'net revenue', 'other revenue', 'cost of goods sold', 'personnel expenses', 'other operating expenses' and 'equity-accounted profit (loss) from similar activities'. EBITDA in 2023 was €292 million compared to €287 million in 2022, which is a 1.95% increase over the year before.

- Pre-tax profit in 2023 stood at €242 million compared to €595 million in 2022, which is 59.32% less than the year before.

### Future Outlook

The forecasts for economic growth mentioned above have been called into question with the spread of the global COVID-19 pandemic. The effects that this health crisis will have on the world economy have not yet been quantified, although they will be partly mitigated by the measures being adopted by international bodies and local governments.

### Key risks associated with the business operations of CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES S.A:

Because of the nature of its own business and that of its subsidiaries, CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES S.A. is affected by exogenous factors that influence the evolution of its operations and economic results.

Corporate risk management at GRUPO CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES is a process that is established by the Acciona Group. It is designed to identify events that can potentially affect the organisation and to manage these risks by establishing internal treatment and control systems that make it possible to keep the probability of these events occurring and their impact within the established tolerance levels and offering a reasonable level of certainty that the Group's business objectives can be met.

The main risks that can have an impact on the Group achieving its objectives are as follows:

Regulatory changes: The business of the Grupo CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A. is subject to numerous governmental regulations which, when changes are introduced, can have an effect on the company's activities and economic results.

The production of electricity from renewable energy sources is subject to rate controls and other regulations governing the Company's operations in Spain and other countries where it does business. The introduction of new laws or the amendment of existing laws can have a negative effect on the Company's operations and results.

Furthermore, amendments to the current legislative framework relative to rate revision methodologies, including how generated electricity is remunerated, constitute the principal support mechanism for the development of these sources.

Credit and liquidity risk: The principal functions of the Group's treasury include providing service to the business, coordinating access to domestic and international financial markets and supervising and managing the Group's operating risks.

To do so, it analyses the exposure, seriousness and magnitude of the risk, including credit and liquidity risk.

The credit and liquidity risk of GRUPO CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A. is limited since both cash investments and derivatives are placed with solvent entities that have high credit ratings and no one counterparty assumes significant percentages of the total credit risk.

Credit risk refers to the risk that a counterparty to an agreement may breach its contractual obligations, thereby causing the Company to sustain economic losses. None of the clients of the GRUPO CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A. pose a significant risk of this kind. From a consolidated point of view, the credit risk concentration is not significant since a high percentage of the clients are companies of recognised solvency in the electricity distribution sector.

GRUPO CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A. maintains a prudent management of liquidity risk, maintaining sufficient cash and cash equivalents, as well as contracting committed credit facilities for a sufficient amount to support the expected needs.

The ultimate responsibility for managing liquidity risk lies with the Corporate Finance Department of the Acciona Group, which devises an appropriate framework for controlling the Group's cash needs in the short, medium and long term. The Group manages its liquidity by maintaining adequate reserves, appropriate banking services and the availability of loans and credit by constantly supervising the forecasts and the actual flow of funds and pairing these with the maturity profiles of the financial assets and liabilities.

Exposure to interest rate and exchange rate risk: The Group, in the conduct of its business operations is exposed to the impact of fluctuations in interest rates and foreign currency exchange rates, particularly the US dollar.

Interest rate risk is particularly significant as far as financing the construction of wind farms, where the project yields depend on possible fluctuations in the interest rates which are directly linked to the cash flows from them.

Proper management of these risks using hedges and derivatives can prevent them from having a significant effect on results. However, there is no way of completely eliminating the exposure to interest rate and exchange rate risk, which can have a negative effect on the Company's financial situation.

With regard to price risk in the Spanish electricity market, Legislative Royal Decree 2/2013 passed on 1 February 2013 introduced urgent measures for the electricity sector. This Legislative Royal Decree, which took effect on 1 January 2013, sets a zero premium for all technologies and eliminates the floors and ceilings for the free market sales option, keeping the fixed rate sales option so that plants can only receive the regulated rate or sell their electricity on the free market (without a premium).

Legislative Royal Decree 9/2013 passed on 12 July introduced urgent measures to guarantee the financial stability of the electric system. This Royal Decree, which took effect on 13 July 2013, abolished other Royal Decrees including RD 661/2007, which regulated the remuneration framework for electricity plants such as the Company's as part of the support system for renewable energies. Under this new regulation, in addition to the compensation for the sale of electricity at market rates, certain power plants can receive special compensation composed of a price per unit of installed power to cover the investment in standard facilities that cannot be recovered by selling the electricity on the market and a portion for operations that covers the differences between operating costs and revenues as a result of participating in the standard rate market.

Other external factors affecting the business: The Group's business requires that certain permits, licenses and governmental authorisations be obtained and that certain public or private contracts be signed. Delays in obtaining these permits and licenses and adverse changing in the political and regulatory environment may cause delays in the start-up of operations.

The Group's operations are also influenced by wind, water, and solar resources, exogenous factors that can have a negative effect on operations, results and the financial situation.

Strategic risks: These are risks that can affect the fulfilment of the company's objectives and reduce growth. These risks include organisation changes, investments and disinvestments, threats from competitors, economic and political changes, regulatory changes, new technologies and changes brought about by research and development.

The Group minimises these risks through its own strategy and business model, through technological and geographical diversification of its business, by studying the markets, the competitors and the countries where it operates and by investing in research and development.

With regard to regulatory and legislative changes, the Group establishes a series of investment criteria in those countries where it is reasonable to believe that the Group's strategic business objectives can be achieved.

Prior to the decision to invest or disinvest, there are preventive controls and processes and an evaluation of the associated risks based on the business forecasts. According to the Group's internal procedures, this information must be approved by the Acciona Group's Investment Committee based on certain parameters that consider business volume and profit compared to the associated risk.

Operating risks: These are the risks associated with processes, people and products. They have to do with regulatory, legal, and contractual compliance, control systems and procedures, supply chain, auxiliary services, information system, employee productivity or the loss of key personnel.

Specific systems are established to deal with business requirements, systematisation and documentation of processes, quality management, the environment, operations, occupational risk prevention and economic planning and control.

The risk of non-compliance with current regulations or changes in the regulatory environment is analysed jointly by the Regulatory Compliance and Finance Departments of the Acciona Group and monitored constantly.

The Acciona Group has a Code of Conduct that establishes the basic principles and obligations of all directors and employees, as well as the suppliers and other third parties who maintain relations with the Group companies. These obligations must be fulfilled in the performance of their activities. This Code, which is the topic of a specific training course, must be accepted by all new hires who join the Group.

Fortuitous risks: Risks related to the damages that can be caused to the company's assets and people and which can have a negative effect on the company's performance, such as fire, explosion, natural disaster, environmental pollution, damages to third parties or occupational risks.

### Financial instruments

In the normal course of its business, the CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A. Group does not possess financial instruments that could expose it to any additional price, credit, liquidity or solvency risks of such significance that they could have a negative impact on its operations, results or financial situation. There are no financial assets at fair value through profit and loss or any significant financial assets available for sale.

### Quality and the Environment

Protecting the environment is incorporated into the Group's strategy and operations and the main focus of the Acciona Group's environmental strategy. Inherent to the strategy is the integral treatments of impacts and a proactive stance in their prevention, corrections those which are inevitable and compensating the residual effects.

In 2012, the Acciona Group proposed the creation of an environmental compensation mechanism through which different initiatives would be used to more efficiently oversee compensatory actions, which would also redound to an overall improvement of the environmental situation. A Sustainable Mobility Plan was also implemented which focuses on three aspects of mobility: business travel, employee travel and the logistics chain.

In relation to this Plan, the environmental investments and expenses incurred by the Group in 2020 focused on environmental surveillance and studies during the different phase of each project, waste management, the efficient use of resources, biodiversity, landscape, noise, soil protection and environmental research.

### Research and Development

The Company incurred no expenses of this kind in 2023 or 2022.

### Treasury Stock

The changes in treasury stock in the 2023 financial year were as follows:

	2023		2022	
	Number of shares	Cost (millions of euros)	Number of shares	Cost (millions of euros)
Opening balance	130,951	4	53,937	2
Added	3,057,275	100	3,785,996	137
Removed	(3,058,344)	(100)	(3,708,982)	(135)
Changes in liquidity contracts	(1,069)	--	77,014	2
Rest of additions	2,512,865	65	--	--
Rest of removals	--	--	--	--
All other changes	2,512,865	65	--	--
Closing balance	<b>2,642,747</b>	<b>69</b>	<b>130,951</b>	<b>4</b>

On 18 October 2021, Corporación Acciona Energías Renovables, S.A. entered into a liquidity agreement with Bestinver Sociedad de Valores, S.A. for the management of its treasury stock under the terms of Circular 1/2017 of the National Securities Market Commission (CNMV). Within the framework of this agreement, the transactions with company shares are carried out by Bestinver on the Spanish stock exchanges and the purpose is to favour the liquidity of the transactions and the regularity of the stock price.

Noteworthy in 2023 was the block purchase transaction whereby a total of 100,000 of the Company's own shares, which is equal to 0.03% of the capital, were acquired as direct treasury shares, at a price of €33.80 per share.

On 27 August 2023, the Board of Directors approved a temporary programme for the repurchase of treasury stock under the authorisation granted by the General Shareholders' Meeting held on 26 May 2021 (the 'Buyback Programme') and pursuant to the provisions of Articles 2.2 and 2.3 of the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse, temporarily suspending the liquidity contract as a result. Within the framework of this Buyback Programme, in 2023 the Company carried out transactions with its own shares. These transactions are shown as 'Other transactions'.

The Treasury Stock Buyback Programme will affect a maximum of 4,938,759 shares, or approximately 1.5% of the Company's capital, up to a maximum monetary value of €172,856,565 million. The purpose of the Buyback Programme is to reduce capital by redeeming up to 4,488,759 shares, approximately 1.36% of the Company's capital, subject to a resolution of the General Shareholders' Meeting. The Buyback Programme is also intended to provide a pool of shares, up to 450,000, or approximately 0.14% of the Company's capital, to meet the obligations that may arise from the Share Delivery Plans for executive directors, executives and employees of the Group.

In 2023, the loss recorded in reserves from transactions with treasury stock carried out under the liquidity contract was €0.1 million (gain of €0.3 million in 2022).

#### Disclosures required under the third additional provision of Law 15/2010

The Company is in the process of assessing the measures to be adopted to resolve the situation regarding the payables that exceeded the maximum weighted average days to pay as of 31 December 2023. Payments made and payments pending are primarily balances with Group companies:

<i>Payments made and payments outstanding at the end of the financial year</i>	31.12.23	31.12.22
	Days	Days
Average days to pay suppliers*	41	21
Percentage of transactions paid	44	23
Percentage of transactions outstanding	15	8
	Amount (millions of euros)	Amount (millions of euros)
Total payments made	114	11
Total payments pending	13	2

The information required following the passage of Law 18/2022 for the Creation and Growth of Companies regarding invoices paid before the legal deadline is as follows:

	2023	2022
Volume paid (in millions of euros)	86	8
Percentage of total payments to suppliers	76%	79%
Number of invoices paid	574	60
Percentage of total supplier invoices paid	91%	18%

#### Events after the balance sheet date

There were no other events subsequent to the closing date which could have a significant effect on the Company's financial statements at 31 December 2023 or its present or future activities.

#### Annual Corporate Governance Report

The Annual Corporate Governance Report is available on the website of the Comisión Nacional del Mercado de Valores (National Stock Market Commission - ([www.cnmv.es](http://www.cnmv.es))) and on the Company's website ([www.acciona-energia.com](http://www.acciona-energia.com)).

In addition, the Annual Corporate Governance Report will be communicated as Other Relevant Information to CNMV.

#### Board of Directors Annual Remuneration Report

The Board of Directors Annual Remuneration Report is available on the website of the Comisión Nacional del Mercado de Valores (National Stock Market Commission - ([www.cnmv.es](http://www.cnmv.es))) and on the Company's website ([www.acciona-energia.com](http://www.acciona-energia.com)).

The Annual Report on Directors' Remuneration is filed with the CNMV as Other Relevant Information. Pursuant to Royal Decree 1362/2007 of 19 October (article 8.1 b), the Directors of Corporación Acciona Energías Renovables S.A. issue the following statement:

That, to the best of their knowledge, the Annual Accounts prepared in accordance with the applicable accounting principles give a true and fair view of the issuer's equity, financial position and results, and that the directors' report includes a true and fair analysis of the evolution and results of the business, together with a description of the main risks and uncertainties faced.

In witness whereof, all members of the Board of Directors of Corporación Acciona Energías Renovables S.A. formulate the individual annual accounts and directors' report for financial year 2023 at the meeting held on 29 February 2024:

José Manuel Entrecanales Domecq  
Chairman  
\_\_\_\_\_

Rafael Mateo Alcalá  
CEO  
\_\_\_\_\_

Juan Ignacio Entrecanales Franco  
Member  
\_\_\_\_\_

María Sonia Dulá \*  
Member  
\_\_\_\_\_

Juan Luis López Cardenete  
Member  
\_\_\_\_\_

Karen Christiana Figueres Olsen \*  
Member  
\_\_\_\_\_

Alejandro Mariano Werner Wainfeld  
Member  
\_\_\_\_\_

María Maria Salgado Madriñán  
Member  
\_\_\_\_\_

Rosauro Varo Rodríguez  
Member  
\_\_\_\_\_

María Fanjul Suárez  
Member  
\_\_\_\_\_

Teresa Quirós Álvarez  
Member  
\_\_\_\_\_

\*Acknowledgement to the effect that it was impossible for the directors to sign the Statement of Compliance but gave their consent for it to be signed by the Secretary of the Board of Directors, Jorge Vega-Penichet López, following the directors' explicit instructions.